

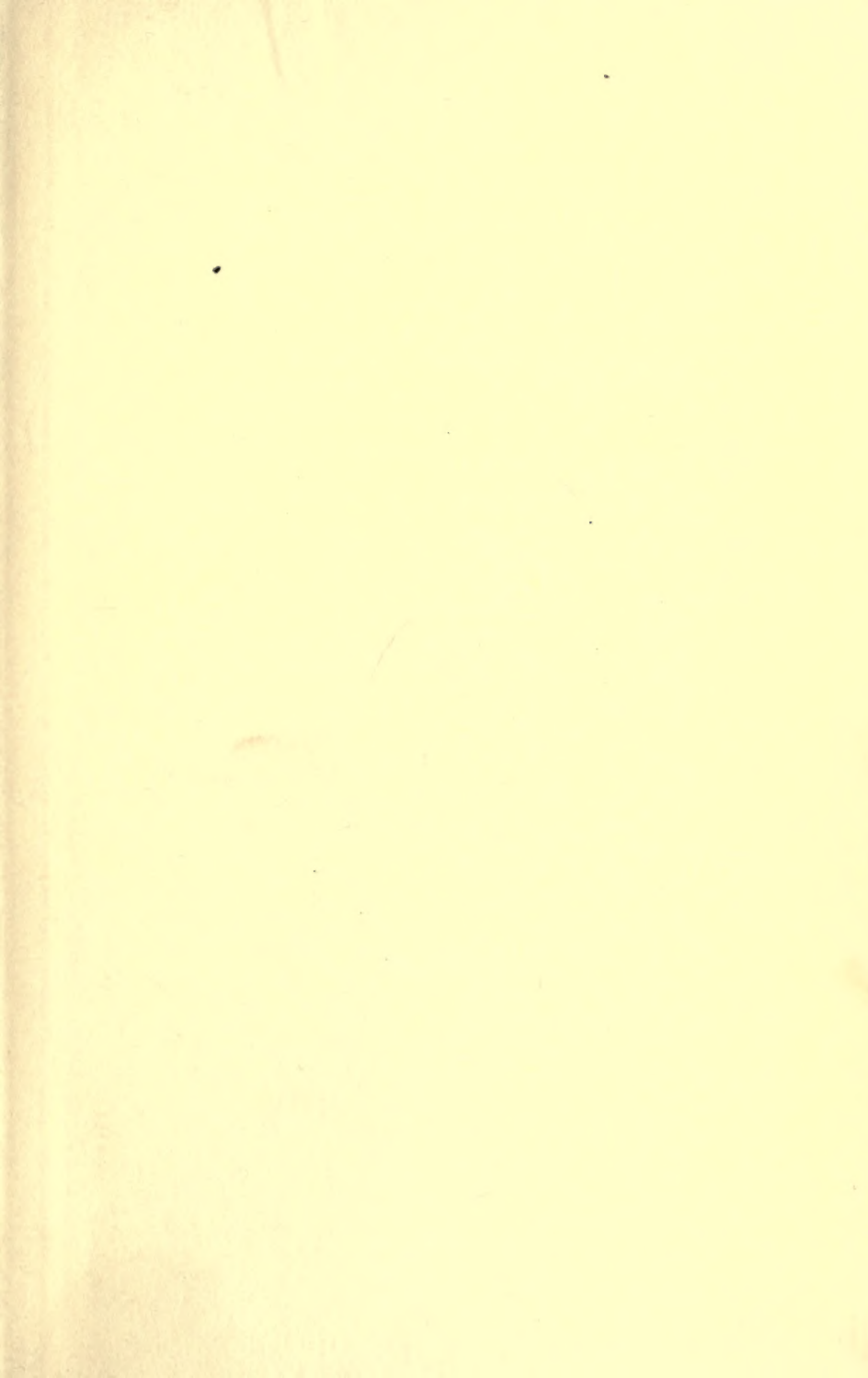


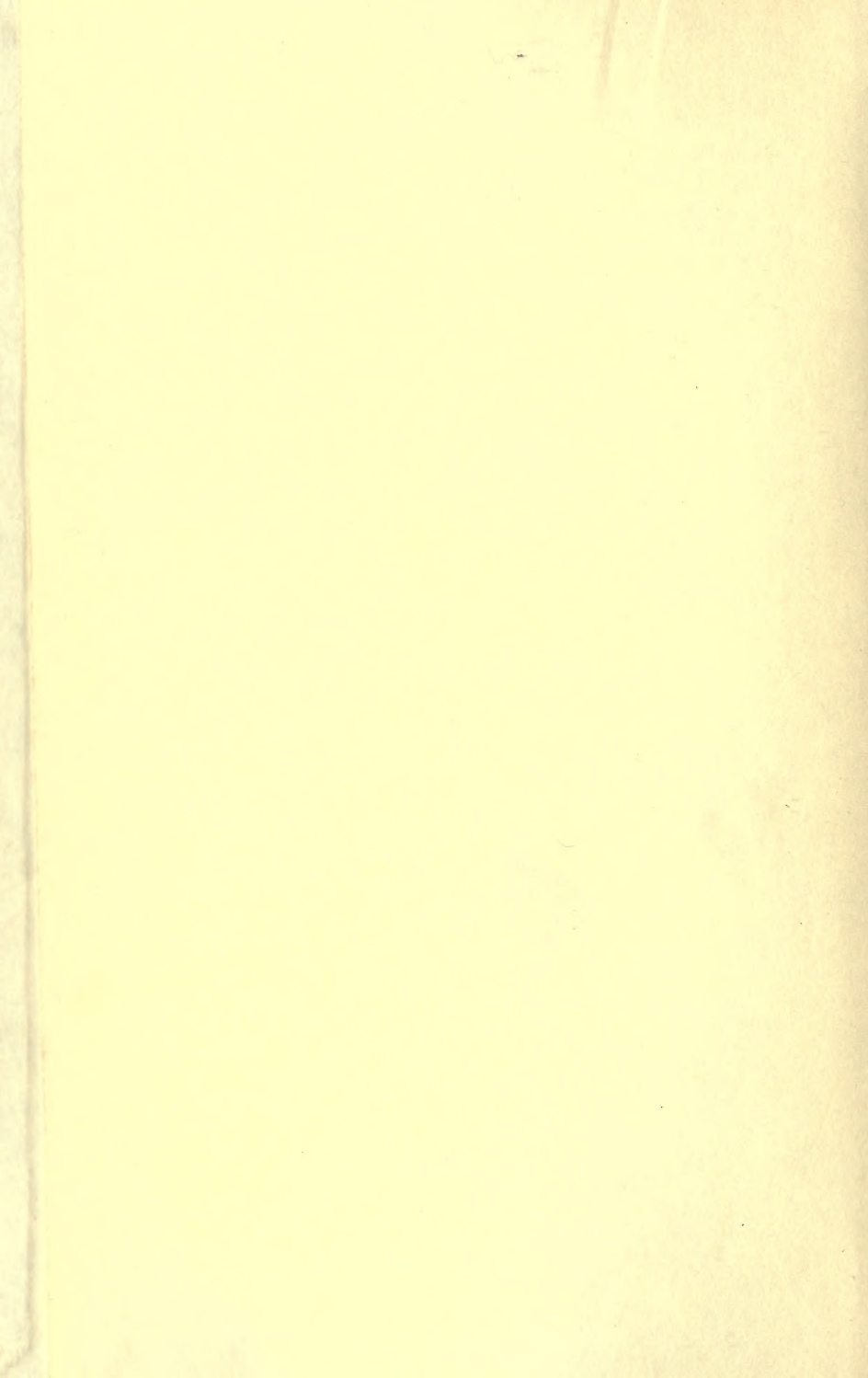
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


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## NOTES ON MUNICIPAL GOVERNMENT.

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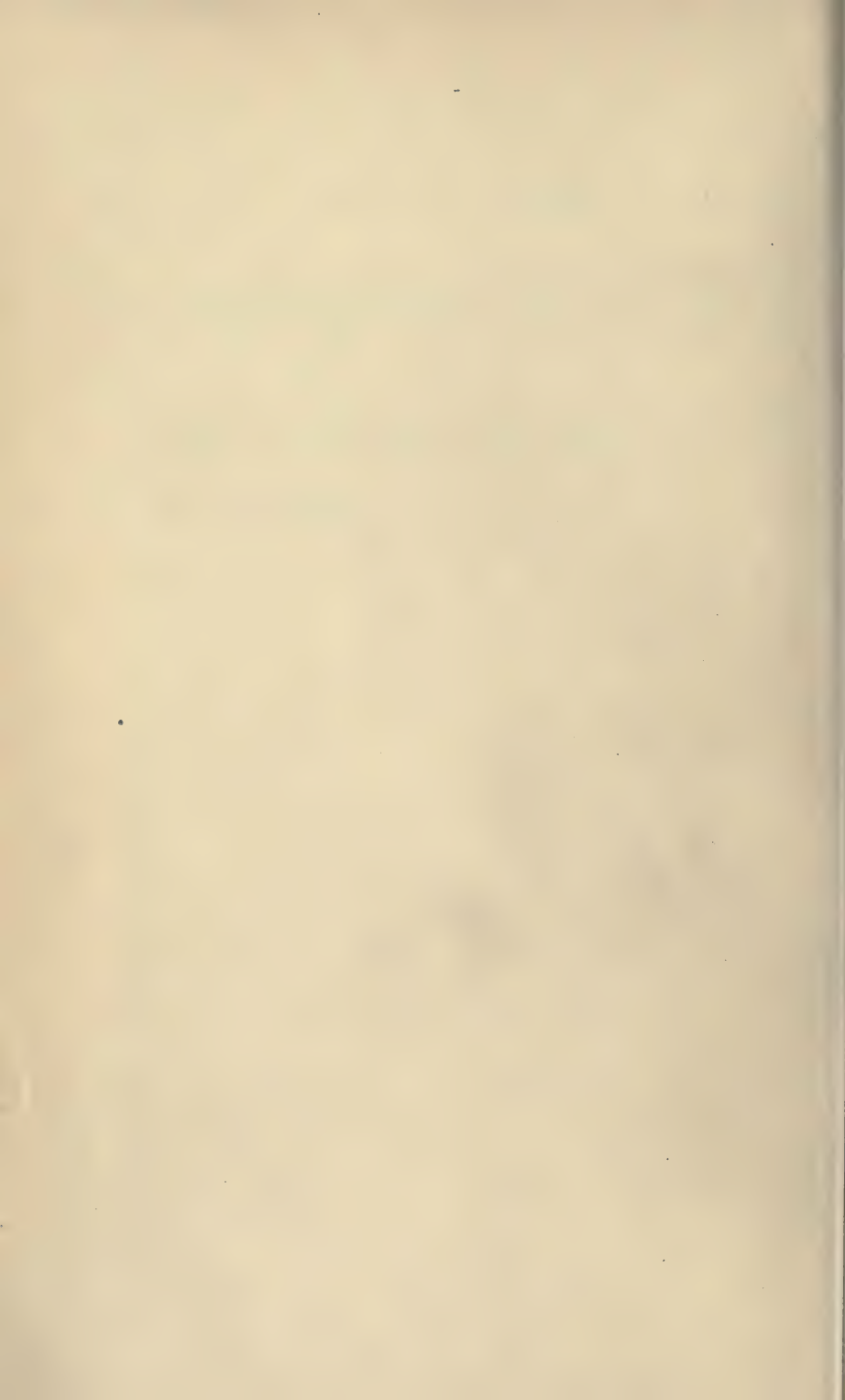
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ANNALS  
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OF  
POLITICAL AND SOCIAL SCIENCE.

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THE FUTURE PROBLEM OF CHARITY AND THE  
UNEMPLOYED.\*

No clear word upon this ugly subject is possible without constant reference to a new social feeling which has at last become very intense. Democracy, with its passion for equality of opportunity, has now so far developed as to introduce into the questions of charity and the unemployed an element as new as it is formidable. By its newness I mean rather that a volume of social feeling has become conscious of itself in a new way. The masses have at last got political power so organized that it can be brought to bear on social legislation. The clear consciousness of this fact is intensifying the "social problem" at every point, and making it far

\*I am aware that the "Knights of the Panacea" will be impatient of the slow disciplinary influences offered in this paper. It seems safe to assume that whatever changes take place with the "economic rent," or along the lines of municipal socialism, "to steady employment," etc., or for fewer hours, such agencies and especially such *training* as are here indicated will still be necessary. Whatever development socialism or the single tax may have, some kind of an "estate"—fifth or sixth?—will yet remain for any future which it is worth while to discuss. Meantime the remedies offered will not stand in the way of any increase in socializing rent, or profits, or interest.

more difficult to meet. Though it appears in several countries, there are special reasons why we see this change more clearly in France and England than elsewhere.

The socialism of the St. Simon type was careful to keep out of politics, but, as with the English trade-unions, the last dozen years have shown a direct and rapid tendency into politics. I do not mean general politics but that part of politics which concerns industrial legislation. For weal or woe the masses have come to believe that they can make or unmake laws in such way as to change to their advantage the industrial system. The fact which is new and formidable is that the masses have at last come to believe this. What other classes in history have done when in possession of government, the democracy will try to do. Will they blunder worse than their predecessors? It is quite possible, but it is certain that the "passion for equality of opportunity" is in politics to stay. It is this which within ten years has put into the French Chamber of Deputies sixty socialist members. It is this which has given to their trade-unions a power which the government cannot for a moment ignore. It is this which has put city councilors into power in more than eighty communes and given to several large cities socialist mayors. It is this sense of new and direct influence in politics which is working even greater changes in England, in rapidly increasing numbers of workingmen among magistrates, inspectors and poor law guardians: the new attitude of the government toward the eight-hour question, the establishment of a Labor Department, the new form of the Employers' Liability Act and the Parish Council Bill, with all that this implies of democratic administration as against the control of the squire and the parson, all spring from the same source. But in what ways does this new sense of power in social questions affect the problems of charity and the unemployed? The relation is as direct as it is practicable. Whether in France or New Zealand, Denmark or England, every proposed change in the poor laws shows



the same concern about the democracy. Its claims, its feelings must be conciliated. In the new draft of the Denmark law we read, "the law must not (as of old) violate the sense of independence among the poor." This is expressed even more strongly in recent proposals in the New Zealand law. Mr. Fowler, as member of the English government, thinks evidently that the attempt to disgrace the poor by the severities of indoor relief cannot be allowed to continue.\* Against Peel's opinion that no public relief should be considered honorable, we now have an almost violent reaction among many of the ablest men in England. Politicians like Chamberlain, Gorst and Hunter, trained workers in charity like Moor Ede and Samuel Barnett, economists like Marshall, statisticians like Charles Booth. These men are now found protesting loudly against the assumed sufficiency of any possible administration of the present poor law or workhouse test. The whole movement in England toward some form of old age insurance rests upon the admission that a large part of the poor have been unfairly and inadequately dealt with. The real facts as to the degree of poverty in the English working classes were ignored until they won the support of Charles Booth's authoritative sanction.

The Hon. Arthur Aclaird said: "So far as they go [Mr.

\* There is great significance in the attitude of very different types of governments at the present moment on this subject. The new law in Denmark reads: "The repugnance felt by the decent poor towards the workhouse and their readiness to endure considerable privation rather than enter it, *is reasonable*," etc. The last annual of the New Zealand Report of the Bureau of Industries, says: "The present system of charitable aid is faulty in the extreme—." In November, 1892, in a circular issued by the English Local Government Board, we read, "The spirit of independence which leads so many of the working classes to make great personal sacrifices rather than incur the stigma of pauperism, is one that deserves the greatest sympathy," etc. "What is required in the endeavor to relieve artisans and others who have hitherto avoided poor law assistance, and who are temporarily out of employment, is—I. Work which will not involve the stigma of pauperism," etc.

We see the same thing in the enormous petition now going to the Swiss Federation for the legal changes which shall admit the "right to work." All this, whether desirable or otherwise, is a world movement that grows apace with the extension of an educated democracy. It means not only a sharper distinction between poverty and pauperism, but that clearly undeserved want should be dealt with upon principles which the official and voluntary charities have refused to recognize.

Booth's figures] they seriously disturb the comfortable belief of those who sometimes speak as though old age pauperism were largely the fault of the paupers, and therefore to be treated only by deterrent methods."

I have here no opinion to express on the English scheme to meet this pauperism by old age pensions, but, as the plan turned solely upon the question of poverty, the opinions as to the need of some new method other than the old charity are of course to the point. The change of opinion in England is only what we find in several other countries where the two phenomena are found together: a highly developed industrial life and a highly developed democratic sentiment. Where this sentiment has learned its politics best; where it has best learned the arts of using this new political influence, there we find the most radical proposals to revolutionize charity methods and to face the spectre of the unemployed with other weapons.

Look for a moment at the discussion in England. Mr. Booth, in his address before the Statistical Society,\* showed how he feared every exaggeration of pauperism, and yet how appalling the figures were. The plain record of facts as he finds them, drove him to remedies and proposals which seem extreme. He finds "two out of every five men and women who live to be sixty-five are destined, under existing circumstances, to become chargeable to the poor rates, to be a burden upon the poor law. Influential papers which ridiculed socialist writers seven years ago for a moderate statement of the evil, now practically accept Mr. Booth's figures. Mr. Chamberlain says:

"I want to tell you two things which are worth bearing in mind. Of every man and woman who is to-day living at the age of twenty-five, one out of two will live, according to the tables, to the age of sixty-five. I often hear people say, 'Oh, working people do not live to sixty-five.' There is no greater mistake. There are at the present time 2,000,000

\* *Journal*, December, 1891.

in the United Kingdom over sixty-five, and the majority of them belong to the working classes. One out of two—remember that—will live to be sixty-five. The second point—and this is more serious—is that, out of those who live to be sixty-five under present conditions, forty per cent, two out of five will be paupers, will have to depend for their subsistence upon poor law relief. This is a matter which I have calculated for myself and for which I have given my authority on previous occasions. But the figures I am quoting now are not my own. I have got a better authority than any I could give. They have been sent to me by the kindness of Mr. Charles Booth, who is well known as the greatest living authority upon pauperism and the condition of the poor.”

In the editorial comments of the *Times* we read, “Mr. Booth’s figures justify Mr. Chamberlain.” “He gives statements precise as a balance sheet, dealing with points vitally material to any old age pension scheme;” and Mr. Chamberlain’s “arguments for such a scheme have been much strengthened by Mr. Booth’s paper.” Even the *Daily News* finds no objection on principle. It says: “It can not be too carefully borne in mind that, in providing universally for old age, we should not be so much taking up a burden as readjusting it.” The poor are now “cared for in the way most unsatisfactory possible, . . . in a way discouraging to thrift and effort, degrading to the old people, often cruelly burdensome. Sooner or later we shall amend this; . . . it will not be by the exercise of any intricate ingenuity, but by a *bold humanitarian recognition of a public duty to those great masses who have spent their lives in the public service.*” This final sentence is to the letter as if written by some socialist of the chair in 1878-1879, when the discussion of state insurance was becoming public in Germany.

With the general proposition of old age insurance, Mr. John Morley expresses distinct sympathy: “I have taken great interest in the subject, and have ventured to say that I



think the man or the party who solves this question—the question of preventing a man who has worked hard all his life, maintained his family, and been a good citizen, from going in his old age to the workhouse—the man who shall put an end to that state of things will deserve more glory than if he had won battles in the field.” At Sheffield Mr. Morley said: “Could not the State use its influence in the direction of something like national insurance? The most afflicting thing to be seen in modern society is that after men have spent their natural force they were so often left beggars.”

Mr. Ede, formerly lecturer upon political economy at Cambridge, writes out of a long experience, in the *Contemporary Review*, April, 1891, that, in his opinion, the trade-unions, even with the help of the friendly societies, can not begin to deal with this question, since they touch only the more successful body of laborers, not the great mass of the unskilled. To those who hope that the “thrift movement” will finally reach these masses, he says: “Is it reasonable to expect such thrift of the average agricultural laborer? . . . Forty-five per cent of the deaths over sixty years of age were those of persons who had been in receipt of poor relief, *i. e.*, nearly one-half over sixty were paupers. Can we expect such thrift from the unskilled laborers in towns whose average wage in consequence of irregularity of employment is scarcely, if at all, above that of the agriculturalists? Manifestly we can not.” Of London he says: “One in five of the deaths occurs in a workhouse or public hospital. If we eliminate those above the wage-earners the proportion will be something like one in three for all ages. If we take those of sixty and upwards, one in two will more accurately represent the proportion. . . .

“Four hundred and ninety thousand persons over sixty-five years of age in receipt of relief during the year—over one in three of the whole population of that age—and even this takes no account of lunatics or the large number who struggle on in feeble bodily health, or eke out an existence

of semi-starvation on their little savings, dreading nothing so much as that they should survive their slender store and be driven to the parish, and the house at last."

He asks if it is more ignoble that these should receive pensions than that more than 100,000 in the army, police, navy and civil service should receive them.

Dr. Spence Watson writes: "My hope and belief is that a carefully considered scheme may succeed in preventing those who have labored through life in the service of the State being compelled, in their declining days, to seek a refuge in the poorhouse."

It has been the theory of the poor law reform act of 1834 that "fear of want" was the great safeguard against pauperism. There is now experience enough to make one statement about this fear argument very safe, namely: that large classes of laborers are almost wholly unmoved by it. Fear of want has no such influence upon them as the theory presupposes. The statement is equally safe that large classes are, on the contrary, very powerfully affected by whatever adds hopefulness to their lot. A German biologist\* has shown that the "hunger argument" has done in the lower animal world far too much service. It seems quite as true of the "fear of want" argument in the question of pauperism. "Sense of security and hopefulness" upon purely economic grounds are everywhere found to have unexpected values.

Mr. Booth uses the socialist argument (Professor Marshall seems to agree with him) that the hopefulness which a feeling of economic security gives is of far greater promise. With such experience as we have at command, it is impossible to deny that this may prove true so far as the principle can be applied. It is moreover a point of extreme practical importance, since sentiment is becoming so powerful a factor in social politics that the voters are not in the least likely to sympathize with any such stringent application of the poor

\*" *Biologische Probleme*," von Dr. Rolph, Leipzig, 1884.

law as this "fear of want" argument implies. The "science of the possible" must more and more take this sensitive mass of feeling in the rising demos into account.

This is accurately what the leading politicians of the world are being forced to do in these questions of charity and relief. Four years after the law had been changed in France allowing the trade-unions practically free swing, M. Floquet, Minister of the Interior, said in 1888 what every minister now repeats after him, that the principles of the Revolution of 1789 must be accepted. M. Floquet was speaking upon charity and he did not hesitate to take his text from the "Declaration of Rights." He said :

"In opening your first session, let me remind you that you are descended from the French Revolution, and that your appropriate task is a preserving effort to put into practice the ideas of which it was the exponent and to act as the executors of its will.

"When, for a moment, in 1848, the spirit of the Revolution again flashed forth, a new attempt was made to give fresh impetus to the great principle of *social solidarity* and to organize a system of public charity. Since then, no general law on this subject has been enacted. Little by little, piecemeal, our existing laws have grown up. But the same spirit—that of the Revolution—animates these fragments. In every branch of the public charitable service, the recollection of the principles formulated by the convention regulates the relations between the assisted and the government.

"The aim of every democratic government should be to realize in practice the principle of social solidarity consecrated by the French Revolution."

There are two tendencies in French charities: one toward a substitution of an obligatory principle for a voluntary one; the other toward throwing the obligations upon the commune, and it is of more than ordinary significance to compare the charity principles of '89 to which Floquet refers with what is now attempting in those communes in which the



socialists have won power upon the city councils. Every revolution in France which has brought the democratic spirit to the front, has brought an attack upon the prevailing forms and methods of charity. What the Bastille symbolized was not more hateful than what was implied by the institutions and the word charity. Disgrace was associated with *l'hôpital*; it is thus erased and *maison de santé* put in its place. The common term *bureau de charité* was changed into *bureau de bienfaisance*, and the word foundling into *enfant naturel de la patrie*. This was more than playfulness, the attempt to change the entire conception of caring for the unfortunate was made with a sort of passion. Taine has shown how direct and powerful an influence Rousseau exercised upon those sympathies out of which charity springs; but Rousseau furnished a social theory quite as important. If society to its very heart is corrupt, the decay of the individual is a fatality; if out of work or penniless or sick, the fault is not his, but society's. If we add to this the theory of equality and the natural dignity of human nature we see that any influence which leads large masses honestly and passionately to believe such doctrines, will lead to action and to practice. Such action and practice have followed in every outburst of democratic sentiment, 1830, 1848, 1871. The first objects of this sentiment are the questions of charity and the unemployed. In quite twenty of the communes at the present moment attempts are making to carry out the spirit of the Revolution and remove every sign of disgrace, raise the standard of living; in a word, to act with the poor as if they were not to blame, but society rather.

Let us be wholly clear as to this point. The more advanced sections of the democracy, those sections that are organized for greatest influence, have either accepted these views about charity and the unemployed or they are rapidly coming to accept them. In Boston, during the past winter, not alone in the crowded Fanueil Hall gatherings or in "Equity Union," but in the constant discussion of these questions at

the different trade-union centres, the same bitterness showed itself against charity and against every assumption that individuals were to blame for being poor or out of work.

Europe has long been familiar with such opinions, but they are for the most part new with us. Nor need we hoodwink ourselves by supposing that such opinions will pass away even if the business depression soon ceases. Socialistic agitation has at last too many centres established among us; the literature of agitation is spreading too widely and too rapidly, and the whole movement of organized labor shows such increasing socialistic sympathy, that the entire problem of charity and the unemployed will no longer be free from this new influence. We have seen, too, that this antagonism against the older ideas of charity is shared by many names of commanding influence. Governments are showing this new feeling as distinctly as individuals. The boldest scheme of social legislation is State insurance of the laboring classes. It is in every country assumed by the advocates of these measures that economic insecurity, in the present conditions of the world-market, is a constant peril of so grave a character that society has no right to act as if the individual laborer could meet all the exigencies. This legislation assumes that the causes of much poverty and out of work are strictly social. "*Le risque professionnel*" (trade responsibility) is an attempt to recognize a larger responsibility than that of the individual.

There is thus every justification for the laborer to turn upon his opponent with words that I once heard: "Your economists and your politicians are both hurrying to admit that the chief causes of poverty and the unemployed are social." If there is some exaggeration in this there is also essential truth in it.

I cannot therefore think it of prime importance to search for the causes of poverty and want of work. It is not even of importance to settle the question of rights among these opinions. Even if we believed strongly that the new views

were dangerous, and that the older charity methods *ought* to suffice, we are met by the sinister fact that a powerful minority hotly maintains that the older methods are both false and intolerable. Here then, in the growing mass of this opposition, is the first obstacle with which we must reckon. Our problem is not one of theory but of troublesome practice. The angry irritation against the old charity springs straight from a democratic sentiment which has become conscious of political power. The socialist mayor of St. Ouen, in France, says, "We must first stop the ignominy of putting a stigma upon the poor by forcing them upon charity. Charity is an obliquy. It tries to prevent people becoming poor by holding over them the fear of social disgrace, but as the social system now creates most of the poverty it is a cruelty to make the victim responsible."

The workhouse uniform was therefore to be taken off and the recipients of relief allowed to go free with an extra subsidy in their pockets. The natural dignity of the individual was to be restored. By free feeding of the children of the poor in the public schools and kindergartens; by the municipalized drug store and the free distribution of medicines among the needy, it is proposed to raise the standard of living—sanitary and economic—rather than trust to the older charity. Mayor Walter, of St. Denis, goes to a widow with four young children and says to her, "You have applied for charity. It is true you cannot support yourself and properly rear your children without help, but charity will spoil you and possibly your children. I will take your children in the name of the commune. They shall be clothed and fed and educated, you meantime earning your own living and having free access to your family, which shall be restored to you when they have passed through the schools, or you are able to support the burden without charity." As wild as this sounds, a very powerful opinion is growing up in favor of something very like this measure. The actual observations of the evil effects of the ordinary



charity upon a family are such as to force more and more of the thoughtful and experienced to ask if, after all, there isn't a better way than to go on trying to check poverty by holding up the poorhouse, loss of citizenship, or any other mere intimidation as if it were an adequate preventive, to say nothing of its justice or injustice. Growing doubts, both as to the adequacy and the justice of the "fear of poverty" argument are what have driven such men as Professor Marshall, Charles Booth, Samuel Barnett and others to look toward measures that might inspire hopefulness instead of fear. Schaeffle and other economists used the same argument in pleading for the workingmen's insurance. It was said repeatedly "the older charity ideas are no longer adequate to the exigencies." An able and experienced member of the London school board told me, "My experience has forced me to believe that for the children of the poor and their proper maintenance an entirely new policy has got to come. At a certain level of poverty the steadiness of municipal action must take the place of a vacillating charity, and a certain standard of physical comfort must be assured or the whole object of education for such children goes for naught, besides the certainty that they will grow up physically unfit to be fathers or mothers." So strong a man as Dr. Hunter, member of Parliament for Aberdeen, writes powerfully in the April *Contemporary Review* to show that the orthodox idea about the superiority of indoor relief is hopelessly discredited upon the facts in England—discredited, that is, so far as it is supposed to be a solution of the problem. Very strong proof is given of the greater excellence at many points of outdoor relief. Dr. Hunter is one of the many converts to an old age insurance scheme, and like most of those who come to believe that the necessities for receiving charity at all may be largely met by such insurance, he argues like Gorst, Ackland, Chamberlain; like Constance, who has been called the Chamberlain of French politics, or like Depuy, or indeed, like each succeeding head of the French government.



This attitude of the shrewdest politicians is of special interest. If they are not absolutely disinterested they, at least, know the drift of opinion and set sail accordingly. But we have here the politician of the Constance and Chamberlain type, the economist, the statistician and many practical workers in charity uniting. They agree that the older forms of charity are now inadequate and must be remodeled. They also agree that much poverty and out-of-work are traceable not to the individual shortcoming alone, but to social and industrial conditions that are beyond the individual's control. At this moment your extreme democrat or socialist, if he knows the facts, can point to a body of most authoritative expert opinion which seems fairly to be on his side, and to considerable extent *is* on his side, and if we could only trace out the reasons why so many able men have grown sceptical of the old charity and are looking for quite other remedies, their changed opinions would be found owing chiefly to the fact that the demos has at last got a language of its own. Labor organizations, thousands of socialistic centres, an army of lecturers, and a very formidable press have finally got a sort of consistency of expression for that vague mass of feeling which has been growing with the democratic movement. The root passion of this movement is the longing for larger equality of opportunity, and the thing which seems to me of extreme practical significance is that a multitude of those who have intellectual influence of high order are already won to the belief that this which the demos demands is essentially just and should be listened to. The more socialistic view of charity and the unemployed is no longer confined to the proletariat. The *spirit* of its view is held by a most formidable list of authoritative names. The cravings and the half articulate thought at the bottom are at last supported and strengthened by imposing opinions at the top. The two will more and more work together in this question we are considering. When, with increasing heat and emphasis, we hear from socialist and trade-union groups, and even from college settlements: "Your

charity is an offence, and we will none of it," it will get a response so sympathetic from those whose names carry weight, as to add to that cry far greater effect. Now my claim is that for any right beginnings in this future problem of charity and the unemployed, this background of democratic sentiment must at every point be taken into account. It must be taken into account precisely as the English will eventually be forced to shape their Irish legislation more in accordance with the *mass of feeling* that prevails in Ireland. The learned Tory browbeats you with his technical difficulties with a given Home Rule bill. He does not, nevertheless, shake your confidence in the least that in some way Ireland must at last be ruled with more consideration for the kind of feeling which prevails among the people of Ireland. The plain fact is that with charity methods, and with the special question of the unemployed, democratic sentiment has so far developed; it has got such power of expressing that sentiment through the machinery of politics, that our question is new and quite other than it was. In saying this, I may be allowed to add that, personally the recognition of these more daring democratic or socialistic claims, seem to me not without threatening possibilities. After a good deal of rather intimate experience with "case work" under the Associated Charity methods, I know the sickening story of human weakness which follows so swiftly upon the removal of personal responsibility. I do not forget all the commonplaces of "self help." I know that Emerson's sentence, "Man is as lazy as he dares to be," is dismally true of a large proportion of those with whom our problem has to do. Not one of these things do I forget in saying confidently that the growth of democracy is forcing us on to measures which shall not be wholly out of sympathy with that democracy. The older charity method is aristocratic. It has been in the hands and under the guidance of the well-to-do. It has been, as truly as the tax systems, to considerable extent in the interests of the upper classes. The squire and the parson

have managed these things with fair success in the English parish in the past, but they cannot continue to monopolize charity administration for the simple reason that the democracy has too far developed in many of those parishes and is now angrily demanding its own part in such administration, as it has already begun to force its way upon the boards of guardians. As the English aristocracy before the reform bill was shocked, that "mere shopkeepers" should want to get into Parliament; as in turn the business men were indignant that mere laborers should ask for representation there, so the representatives of the ratepayers on the boards of guardians find food for surprise that workingmen should aim at such influence. It is said that the interests of the laborers are subserved best if the well-to-do classes do their charities for them. As has always been said by the class in possession of political power, to the excluded class, "you will be best served if we manage your politics for you."

We may safely take it for granted that the time has passed when one class, be they men or women, will longer accept this sort of advice; and it is the ever closer and closer alliance of politics with social questions which increases the hostility against charity administration which is so exclusively in the hands of the well-to-do. I am not theorizing about this hostility. I have spoken during the past year to many labor organizations, and everywhere this angry note against charity methods and against anything like charity for the unemployed makes itself felt. The reasons for this hostility are at bottom the stigma which has come to be associated with charity; the idea that charity, being voluntary, the recipients are supposed to be grateful for such helps, but even more the fact that the very respectable and well-conditioned people in the community administer the charities. Here is the arch offence. The traditional charity carries with it as a fatality a sense of distributing favors. It is a gift from success to failure, from superiority to apparent inferiority; from one who pities, to one who is an object of pity. We may



say that the demos is unreasonable in this, that his objections are irrational in the extreme. I will not defend him, but only assert the embarrassing fact that widely and deeply this rooted ill-will is there. I say further, that it is certain each year to increase, for the reason that socialistic agitation is increasing. This agitation will in future manufacture problems which would otherwise have no existence. I am confident that in years of average prosperity the same amount of agitation which we have had this year in Boston would have made a problem. Every city has in winter a large number of unemployed (like carpenters and masons). They expect to be idle three months. If we add to these the motley crowd that is always there, you have only to tell them often enough that society owes them work and a living to make them believe it. For four months there was not a night last winter in which this kind of teaching was not going on. As in European cities, it goes on uninterruptedly year by year. We shall not stop it in our own cities and, I repeat it, this agitation will *make a problem* simply by bringing the conditions of the problem *out to consciousness*. All the phrases of "our right to work," have literally been drilled into the heads of thousands of workingmen in Boston and several neighboring cities. It is a seed the fruit of which is a chronic question of the unemployed; and as with the charity problem of which it is a part, its shape and direction have been largely determined by a certain extreme democratic and socialistic sentiment which has come into touch with politics. The seventeen centres of the Associated Charities could last winter have met the exigency with incomparably more efficiency, than the city did by methods that were bungling, because no preparations had been made, nor any proper measure of the problem been taken. The investigation was utterly inadequate. The plan was in too wholesale a form to be managed properly. If the great Bedford street crowd could have been broken up into twenty small manageable groups; if above all, trained investigators



could have at once gone to work and the workers taken on as fast as investigation had done its work, far greater good would have been done. Yet I hear of no city that has done better than Boston, either with its street work or its sewing and patching.

The Associated Charities that could have done far better were not allowed to act. Why? Because at the points *where the question of the unemployed touched politics* the labor leaders and the politicians made themselves too strongly felt. Properly organized charity was disliked too much by those who represented, or wished to represent the unemployed, and on the other hand the officialism of the city was unprepared and untrained for the emergency. Anything like real success was thus impossible. Miscellaneous begging has thriven upon the situation, and one certain consequence in my opinion is a considerable degree of demoralization which will be felt in the future. In that future the distrust and ill-will toward ordinary charities is sure to deepen. Even if these charities *can* do better than the city, political affiliations touched by socialistic sentiment will not permit them to monopolize the control of such experiments as the unemployed. I believe distinctly that the day has passed when the well-to-do classes can alone manage these questions. The simple fact that the management is in such hands has at last come to excite such a force of sullen ill-will that the friction is too great. Representatives both of the leisure and working classes must get that education and sympathy which alone can come *by bearing together common responsibilities*.

It will not help us to find fault with this growing distrust, or to blame the demos for its enmity toward charity. If this enmity is a fact and if it is increasing, it can have but one cure. The scientific or systematized charity is grossly misunderstood by these enemies and will continue to be misunderstood until they are brought long and intimately into actual contact with the practical problems of organized charity. Its

principles are rational co-operation, systematized investigation and friendly visiting. It is not pedantry to-day that this is science applied to the problem. It is merely ordered knowledge infused by the proper spirit. Trade-unionist and socialist alike must accept what is essential in these principles just so far as they deal at all wisely with the question. How can this insight be learned? Only in one way, and that, by systematic experience in the application of these principles.

In work upon charity and the unemployed the next great step in charity work I believe to be this *democratizing* of its administration. It must come not only to teach the socialists and trade-unionists a very difficult lesson, it must come also if only to fill the gulf now widening between these groups, and official and voluntary charities. Socialists and trade-unionists will learn their lesson only so far as definite responsibilities are given them. This will imply what has already begun even in the Elberfeld system, paid service among a part of the visitors.

It is evident that with increased responsibility the most intelligent leaders of the London socialists are already learning this lesson. John Burns has said that when the socialists got power they would make short work with the dead-beat constituency. He has shown more and more interest in the work of the charity organization idea in his own district. They cannot deal with the confirmed beggar without such principles, nor is it possible for them to learn these principles except by taking upon themselves the actual burden of the administration work, *i. e.*, their part of it. Those of them who thus do the work will come to be the natural instructors of their fellows.

This democratizing of charity work must come slowly and above all not be unnaturally forced. If we understand that it is an ideal toward which we must work, opportunities will come, as they have already come to put women on boards of overseers. The Boston board is at this moment

doubled in strength and efficiency by the women upon it, yet it is but a few years since I heard this ridiculed by persons in authority as "absurd doctrinaire sentiment." The Boston committee for the unemployed had a fair chance to put one or two representatives of the trade-unions among its members. The refusal to do this resulted in much bitterness among the labor organizations. Here was the perfect opportunity to avoid such irritation and also to educate the labor representatives by giving them their share of the responsibility in dealing with the unemployed question. They were living in the midst of it and daily struggling with the problem and yet were allowed to have no part in directing the experiment. I am glad to have heard the distinguished president of the Boston Associated Charities admit that it was a mistake to keep these men from the committee.

Beside this cautious working toward a democratizing of charity administration, what may be said of more specific remedies for the future?\*

In answering the question, I shall keep as far aloof from any theorizing as possible; I shall have in mind merely the actual experience which the situation offers. And first, what was the chief blinding fact of that situation last winter? It was the fact that the whole mass with which the problem had to do was mixed hopelessly through and through with the professional beggar, the tramp and the dead-beat element; so confused by this element that no human ingenuity could

\*The remedies suggested may seem related to the unemployed rather than to the charity question. To the extent however that the agencies indicated prove efficient they will relieve the charity burden, as they will tend to classify groups so that the "genuine" unemployed—so far as possessed of any skill—will present relatively few difficulties. Alike for the workless and charity subjects the present despair is the kind of competition brought to the situation by the untaught, by those who live from hand to mouth, and especially by that large variety of tramp and beggar who accepts odd jobs when driven to it by chronic necessity. The slow democratizing of administration is perhaps even more necessary for any right handling of the unemployed than for objects of charity. Organized opinion among the working-people themselves will act upon their idlers far more powerfully than the opinion of the well-to-do. An English Socialist has said, "Your comfortable classes can get no leverage upon these fellows. Let the laborers themselves deal with them, and they can quickly weed out the parasite."



in the least tell what we were dealing with. The whole discussion, the public meetings, the advertising, made it the occasion for this dead-beat element to come to the front. It is not a matter of question that Boston, like every large city, has thousands of such in its midst.

I believe that the beginning of right thinking on this question is to understand once for all that no important step is possible until we take measures to separate the "beat" in all his forms from the honest and well meaning among those in need. Why, like the green bay tree, does the beat flourish among us? chiefly because the public chooses to support him, and why support him? because the public is wholly uncertain, when appeal for alms is made, whether the case is genuine or not. And the public will continue to give at the back door and upon the streets until it is convinced that the beggar has had a perfectly fair chance of work offered him. "I had rather give to five beats than turn off one worthy case," is what one hears from four-fifths of the well-to-do-classes, and so the tramp goes his way rejoicing and the professional beggar continues without let his calling. One sees clearly in all this that the first difficulty is in this unconvinced public opinion. No step will count that does not first reckon with this public opinion. It is for this reason that we are driven for remedies (1) to adequate organized *work tests*, not primarily to furnish work, but simply as tests. We may begin with the actual tests existing whether wood yards, laundries, street work, and so far add to them as fairly to meet the varying degrees of strength and weakness among those out of work. Tailoring and sewing work, thorough cleaning of the courts and alleys, etc., can certainly be so far organized as to constitute such tests. The evidence is very strong that voluntary associations alone cannot cope with the problem. The city must take part in such way as to allow competition between it and voluntary schemes. A certain requisite steadiness and uniformity can alone be secured by municipal control. On the other hand much of the best



work finally taken by the municipality is first tried and approved by the free initiative of individuals or voluntary associations. Nor need the city fear to admit the "right to work" if it retain the control of all conditions of place, wage, etc., under which work is given. It seems clear that for such work the "living wage" cannot be paid but something below even the market wage for kindred tasks. This may bring some conflict at first with the trade-unions, but as in the coming issue of the trade schools it is a conflict that has to be met and fought out. The chief part of these applicants will not, however, be members of labor organizations, and the trade-unions do not waste sympathy on "scabs." Another condition of these tests is that the unemployed be ultimately distributed in such relation to the demand and supply of work as to include not merely towns but country districts.

It goes without saying that if the "right to work" be granted, the conditions of that right cannot be set by those who demand the work. It reduces to an absurdity if we say, "You shall have work *where* you want it, you shall have just the *kind* of work you wish, you shall have the *wage* you wish." The demand now is to work in cities because the excitements are there, and the country is tedious. It appears thus evident that in this first step of organizing tests, centres of information about employment should (as in Berlin) be organized in country and city in relation to each other. No new institution need be started for this. The police station in the city could in the beginning do service.

I am aware that bureaus of information have not accomplished what was expected of them, but no conceivable reason exists why they should reach important results until they become organized with tests and with such educational and disciplinary agencies as will make the bureau a necessity instead of being, as it now is, an unrelated thing. If understood that those out of work could register name, condition and address as early as they would, time enough would be

given for thorough investigation of each case. We may be certain that, with the classified information already at hand, this would weed out at the very start, before the pressure were upon us, a very large proportion of the most perplexing cases, exactly as a perfectly fair work test will drive four-fifths of the tramps out of any town or state. We should then have left, what has been called the "remnant of the genuine." With this remnant I believe we are perfectly competent to deal, if we have anything like the development of industrial and trade schools that other countries are getting. Here is a grievous want. Among the great majority is an appalling lack of even the beginning of any kind of skill. The skillless workman in the age of highly developed industry is, especially in cities, at a terrible disadvantage.\* He can produce nothing for which market value exists; nothing for which there is a real want. Can it be too soon understood that this large class, which our chaotic immigration swells to such unwieldy proportions, cannot be supplied with *made work* except at ludicrously extravagant expense?

I pit the Boston experiment upon the whole against any of which I have heard and yet, if superintendence and rent were counted in, I am convinced that street work, men and women's sewing work counted together would give a result like that of putting into one end of a machine dollars and getting out at the other end possibly thirty cent pieces. Some sewer work paid better simply because fit men were deliberately selected for the purpose, but the whole \$100,000 expenditure was a frightful waste, the sole excuse of which

\* There are no names of higher authority than those (like Siemens, Playfair, Galton) who hold that there is a kind of inevitableness in the present supply of material for charity subjects and the unemployed. The rapidity and the vast scale upon which science and invention are being applied, with the consequent demand for greater skill, vigor and enterprise among employers and laborers alike, throws upon the weak a strain too great to be met. A pace is set which they cannot follow. If we add to this that these are often gathered in cities where the centres of organized vice—dance-house, saloon, gaming—do upon such forced idlers a very deadly work, we see that the supply of material for charity and the unemployed is constantly renewed.

was the character of the exigency for which no sort of adequate preparations were made. It was early so evident that the result was to be failure that a few of us determined that careful statistics should be gathered as to nationality, trade, condition of family, time out of work, etc., for the purpose of having something to guide us in the future. Light will be thrown upon a few vital points, only one or two of these here concern us. It is quite probable that some 15,000 more than usual were out of work. If these were out of work as was claimed some four months, it would require the organization of work for which more than one and a half millions of money must be paid. This at least shows the magnitude of the problem of "furnishing work," but put beside this the actual achievement the almost ludicrous result.

Perhaps half this 15,000 have had work given them, but how long? I believe less than *two weeks*. Large numbers got but a single shift of three days; a very large number but two shifts during the entire winter. Is this less than farcical? Think of the aroused expectation and the consequent disappointment. It is hardly conceivable that if no inducements had been held out of city employment, these people would not, upon the whole, have themselves found more work than the average of them got. Two or three thousand were made bitter by the emptiness of the result, and the citizens who sent them, thinking that all had a right to the fund, were quite as indignant. When the facts are clear we shall see a little better what it means to furnish anything like adequate work for a large mass of men and women, most of whom are practically unskilled.

Is it then to be doubted that industrial and trade schools must become a part of this problem? A large proportion of these unskilled were young enough to learn. I repeat, the one thing we cannot afford to do is to patch up work for the unskilled. It is turning dollars into thirty-cent



pieces.\* First, let us have, in country and city, bureaus of information, so that applicants can be investigated before there is undue haste or pressure. Second, organized graded work tests† that shall show us (a) those who do not propose to work (b), the capacity, skill or lack of skill which the applicant possesses.

For the capable among these, work can be found (except in extreme depression) if demand in the country is organized with city sources. For those who have learned to do nothing for which society will pay, what fit or hopeful place is there but some form of training school, whether forestry, farm colony or trade school? If it is said "they will not go to such school," my reply is that social responsibility is then, for such cases, at an end, as society has done its duty in finding a girl a decent place in the country. They often refuse to leave the city, but I maintain that we cannot for an instant admit that it is our duty to furnish work *in any one locality*.

The final question remains, What of the tramp and all his kind, whose pretence of seeking work is but a form of begging? What of those who have been offered work and refused it? To the extent that public opinion can be slowly won to it, I see but one answer. All such must be put upon a penal farm colony or into a training school, but in either case as much under constraint as if they were in prison. There shall be, however, this difference, that they shall be given an absolutely fair opportunity to work their way out by proving two things—first, that they *can* do something useful, and second, that they *will* do it. If they continue to refuse both, then there is more reason why they should be kept under

\* While this paper was in press a reply to inquiries in Holyoke, Mass., was received, in which it appears that a quite careful estimate was made of the market value of certain work done by the unemployed. It is believed that the men earned "less than thirty cents in every dollar they were paid." This was, of course, due in part to the necessary substitution of hand for machine work. It also appears that in 533 days' work given, each person got but seven days.

† These tests, to be in the least fair, must be in such variety as to gauge at least the *willingness* to work, and also to avoid asking impossible tasks of those whose habits of work have unfitted them for heavy, rough work.

constraint than in the case of an insane person. Socialists affirm that society is to blame for the tramp. This is possible, but it is not a question of blame, but of social danger. We do not blame the insane but shut them up, because they are socially unsafe. I submit that the most superficial study of the tramp question and that of the chronic beggar generally, in their effects upon social life leaves no doubt that any kind of handling of our problem, so long as they are mixed bewilderingly together with the worthy and hopeful: those I mean who have at least good-will, and for whom something can be done—so long as nine-tenths of the citizens cannot in the least distinguish between these hopeful elements on the one side and the despairing ones on the other, we are blocked from taking even the first steps toward a rational dealing with this problem of charity and the unemployed. This dead-beat crowd by any test that we apply to it is our greatest plague. Indirectly its expense is incomparably greater than all the disciplinary measures I am proposing. But when this crowd is considered in its relation to that part of the population question which furnishes us the constant stream of the undervitalized and unfit, we see that no real gain is possible until these sources of our trouble are reached. The three great passions—the sexual, gaming and drink are furnished in our cities such occasion for mischief as the world has not seen. The brothel, gambling and the saloon are organized into such formidable enticements and on so vast and various a scale, that they work in the deadliest conceivable way upon this class which makes our difficulty. Here the stuff for charity and the unemployed is manufactured as cloth in a mill. What a comment upon our intelligence that Massachusetts should allow 8000 feeble-minded girls to be loose in the community breeding their kind, instead of humanely and kindly shutting them up. The tramp and professional beggar in every form is quite as distinct a danger to society, and as fruitful of recruits for charity and the unemployed.

To the extent that immigration is furnishing us with creatures of this type, it is, of course, a source of the same mischief and should be dealt with as such. May I repeat—

(1.) *Employment bureaus* distributed over county and city districts with investigation so organized that it can do its work before it is too late to manage the applicants.

(2.) *Adequate graded work tests* that shall convince the public that the applicant has been taken fairly at his word and offered what he claims to be seeking,—work. Such work tests separate the beat in every variety from those for whom something may be done, because of the will to do something.

(3.) *Trade schools* (agriculture included) to which those can be sent who have accepted the tests and proved their *willingness*, but lack of skill and capacity.

(4.) Places of discipline and training (farm colonies and workshops), to which those who are able, but deliberately refuse to work, can be sent as to a prison, where they shall be kept until they prove their willingness and ability to earn an honest livelihood.\*

If slowly and cautiously we were to work our way toward an organization of these four measures, that should become part of a common discipline, it seems to me fair to hope that we should begin to act upon public opinion so as to secure its co-operation. The public does not now believe that the luckless and unfortunate is given a fair chance to work and therefore it supports him as a beggar. When the public knows that fair tests have been refused it will be prompt to

\* Every whit of evidence from the Belgian, Holland and German labor colonies shows that *compulsion* must have far larger use. The very fact that such persons are at least chronic idlers proves that they will not freely submit themselves to that degree of discipline which is necessary to create the habit and capacity of work. The evidence is overwhelming that if it is once admitted that such men and women should be put upon colonies or into shops, compulsion is a necessity. This admission of constraint does not imply, except for the refractory cases, harsh treatment in any form. Any degree of freedom and fair dealing may be allowed which is consistent with that degree of *training* which the case demands.



refuse its doles. I believe further that the effect of these measures will tend toward such lessening of the evil at its sources as to leave us eventually, not without a problem, but one with which our devotion and intelligence may cope with fair promise of success.

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## PEACEABLE BOYCOTTING.

"Nor is it the province of judges to mould and stretch the law of conspiracy in order to keep pace with the calculation of political economy." (Bowen, L. J., in *Mogul S. S. Co. vs. McGregor et als.* 23 Q. B. D. 620, 1889.)

"It is difficult to see how, in a case of a conflict of interest, it is possible to separate the objects of benefiting yourself and injuring your antagonist. Every strike is in the nature of an act of war. Gain on one side implies loss on the other, and to say it is lawful to combine to protect your own interest but unlawful to combine to injure your antagonist, is taking away with one hand a right given by the other." (Stephen's "History of Criminal Law of England," vol. iii, p. 218.)

The bill in equity brought in March, 1893, in the United States Circuit Court for the Northern District of Ohio by the Toledo, Ann Arbor and North Michigan Railway Company against the Pennsylvania Company, other connecting lines and P. M. Arthur, Chief Executive of the Brotherhood of Locomotive Engineers, was the means of deciding adversely to labor certain propositions of importance in the pending struggle between labor and capital. There being a strike of the engineers on the Ann Arbor, the engineers of eight connecting lines (which lines were joined as defendants in the bill) undertook by concerted action, as members of the Brotherhood of Locomotive Engineers, to which all belonged, to assist the strikers. The chief executive officer of the Brotherhood, P. M. Arthur, being authorized by a by-law of the organization to take this course when circumstances seemed to him to make it advisable, notified the superintendents of the eight connecting lines that the engineers on their lines would quit work if required to handle Ann Arbor freight; the immediate purpose being to compel these lines to reject Ann Arbor freight to the loss of the Ann Arbor, and the ultimate purpose of course being to enable the Ann Arbor strikers to prevail in their contest with the railroads. There was no malice in fact, no violence, no fraud.

This bill was then brought and it was alleged therein that the conduct of the engineers of the connecting lines and of Mr. Arthur was a violation of the Interstate Commerce Act.\* By this act all railroads doing an interstate business are required to grant to all connecting lines equal facilities without discrimination, and a penalty is added against railroads, or persons within their employ, who violate any of the provisions of the act. The court was therefore asked to enjoin the employes on the connecting lines from discriminating against the Ann Arbor by refusing to handle its freight, and to enjoin Mr. Arthur from promulgating or keeping in force any order requiring or commanding such discrimination of the employes. The court granted the injunction as prayed for and explained its views at length in two opinions,† that of Judge Taft being especially able and clear. Any intention of compelling an employe to remain in his employment is disclaimed. He may quit if he thinks best, although to do so is a violation of his contract, and the other party must be left to his suit for damages. But so long as the employe remains in his employment, the law can compel him to do his whole duty; and part of his duty, when employed on an interstate line, is to grant equal facilities to connecting lines. By refusing to do this he subjects himself to the penalty mentioned above, and when his refusal is in concert with others in order by this unexpected act to compel the railroad which employs them to discriminate against other lines, he is guilty of a criminal conspiracy, and not only that, but of a conspiracy to violate a law of the United States, which makes him liable to a further and more severe penalty. By promulgating the order to quit, Mr. Arthur aids and abets the criminal discrimination of the men, as well as being similarly engaged with them in a conspiracy to procure the officials of the connecting lines to violate the act. Mr. Arthur and the men are moreover civilly liable to the

\* Act of February 4, 1887.

† *Fed. Rep.*, May 9, 1893, pp. 730 and 746.



Ann Arbor for the conspiracy, and for procuring the connecting lines to violate their statutory duty of non-discrimination to the Ann Arbor. Here are ample grounds for an injunction, in the absence of which irreparable damage will be done to railroads and to the public. Such is the reasoning of the court.

The various brotherhoods of railroad employes are organizations embracing several special forms of railroad service. The Locomotive Engineers' is the oldest and is very powerful, having some 35,000 members distributed over this country and Canada. Its course in labor troubles has been noticeably moderate and conservative. The effect of this decision seems to be to restrict the action of the brotherhoods in cases of strike to the road where the strike occurs. The men there may go out, for they thus cease to be employes of the railroad and to be within the provisions of the act. But their fellow-employes on connecting lines may no longer assist them by giving notice of an intention themselves to strike if required to handle the freight of the offending line; and in a certain important respect, therefore, the brotherhoods are divided into as many bodies as there are interstate railroads. This important conclusion of law, it should be borne in mind, comes not from express legislation, but crept between the lines of a statute which was passed for an entirely different purpose. The Interstate Commerce Act was a measure in the interest of the people against the corporations. Its objects were to prevent strong railroad lines from oppressing weak ones, and large dealers from oppressing small ones—by inequitable discriminations in freight rates, and to prevent traffic from being pooled by the railroads to the injury of the public. Any other effects of the law were unforeseen, not appearing in its language, nor avowed in the discussions prior to its passage. And though its legal implications are strictly as much a part of a statute as what is expressed, yet it is to be regretted that so important a result should have been only implied, with no opportunity for discussion or real

acceptance. It is an illustration of the uncertain results which may follow the passage of a law.

This decision is important because it is another method of suppressing the peaceable boycott, to which our courts have already shown themselves distinctly hostile. To be sure it is not certain that the court in this case might not have reached the same conclusion if the Interstate Commerce Act had not existed. The allegations in the bill must have been different, but the decided cases would have apparently justified the court in reaching much the same conclusion. *State vs. Donaldson*\* decided that for employes to combine and notify their employer that unless he discharged certain fellow-workmen they would quit his employment, was an indictable conspiracy. And *Walsby vs. Ansley*, an English case decided six years earlier,† is to the same effect—that such conduct is a criminal conspiracy at common law. These are cases almost identical with the one before us. In them the objectionable employes were boycotted; in this the Toledo, Ann Arbor and North Michigan Railway Company was boycotted. Still, the court's interpretation of the Interstate Commerce Act is one more weapon against peaceable boycotts, and the grounds on which the law restrains these are now so various, and it may be said so vague, that a slight historical examination of the subject and an attempted analysis of it from the modern standpoint cannot be out of place. Why a strike is justifiable and a boycott not, what are the legitimate limits of competition and when does it become a restraint of trade? are questions which I venture to think have not been decided by the court on any consistent principles, or at least on principles that will bear the test of modern views on social science.

Views on social science have been an element in decisions on these subjects, and they are an element in this decision. The regulation of public policy to a certain extent is a

\* 32 New Jersey Law, 152 (1867).

† 30 L. J. M. C., 121 (1861).

recognized part of the jurisdiction of courts. The meaning of so general an expression, for instance, as *restraint of trade* has always been left for the court to determine in each particular instance, and as might be expected, at different times and under varying circumstances, different opinions have been held as to what was an unlawful restraint of trade. "Accordingly it was held by Lord Ellenborough in *Rex vs. Cleasby* (about 1812), that the engrossing of all the oil of a whaling season was no offence at common law in the *then* state of society. And he so held notwithstanding *Rex vs. Waddington*, 1 East, 143, in the time of George III., where the defendant was convicted and punished for engrossing hops, that is, buying them at wholesale with the intent to again sell them at wholesale." \* In this Ann Arbor case the court held opinions on the score of public policy not favorable to labor unions. It emphasizes the injury to the public and to the railroads "engaged in a great public undertaking" if the action of the engineers be successful, and is clearly of the opinion that the conduct of the men is unreasonable as well as unlawful. "The employes of the defendant companies are not dissatisfied with the terms of their employment." And again: "The arbitrary action of a few hundred men, who, without any grievance of their own, quit their employment to aid men, it may be on some road of minor importance, who have a difference with their employers which they fail to settle by ordinary methods." † Clearly the court thought the course of the men an unjustifiable extension of the power of labor organizations and non-consistent with public policy. Perhaps, had it held different views on the relations of labor and capital, it might not have found its interpretation of the interstate commerce act so unavoidable, and have reached a different conclusion.

It should be stated at the outset that this discussion has no ethical bearing. I recognize it to be perfectly possible

\* Erie "Law Relating to Trade-Unions," pp. 9 and 11.

† *Fed. Rep.*, May 9, 1893, pp. 738 and 753.



that a line of conduct may have everything to condemn it ethically which must still be admitted to be legal. In the struggle of life the law should beware how it disarms one party and leaves the other armed and aggressive. To demand that the conduct of one section of the community shall be governed by a higher ethical standard than that of others is to commit injustice. So that to say that the peaceable boycott is often oppressive is to say nothing to the purpose, very many of our industrial operations being of the same character.

A person approaching the consideration of the relations of labor and capital, or any important social question, is not assisted by blinding himself in the slightest degree to the actual condition of the industrial world. While it is pleasant to note the instances which often occur, of good will and unselfishness in business affairs, it is perfectly clear that this is not the normal state of things. Among the multitudes who work for a subsistence, the pressure of competing numbers tends always to crowd out those who cannot reach a high standard of efficiency in each particular occupation. This high standard of efficiency is not, however, the same thing as a high standard of morality. There is nothing in business success of any kind which makes necessary the practice of unselfishness or benevolence or any altruistic quality. Competition, which probably effects a greater aggregate of good than of evil, seems to have this drawback, that it prescribes self-seeking as necessary to life. The industrial world is in a state of unsympathetic antagonism,\* where a man's interests are opposed to those of others in the same occupation, because what they gain he frequently loses. We should look for no ideal motives in the laboring class when we see them nowhere else.

Of similar futility are arguments against peaceable boycotts because they are an injury to the public. There can be no higher public policy than justice. If these movements

\* Note the popular saying, "*There is no friendship in business.*"

stand condemned on that ground it is sufficient. But that a strike causes all concerned, employers, employed and public, great loss, and that this result might have been prevented, but for selfishness, ignorance or an arrogant pride of power in one party or in the other—is not necessarily material. Right conclusions cannot be formed in this purely empirical way. It is not much to the point to object that the recent Lehigh Valley strike cost the railroad six millions of dollars, the employes one-half a million, and left both sides about as they were. The real question is, what is justice? what is the measure of liberty which society should grant to its component individuals in the interest of its own stability? To infringe this is injustice. A community should place the development of individuals above the development of wealth. The rights of property, important though they be, should not be suffered to overshadow the rights of individual liberty. For in these latter the well-being of the community is deeply concerned. It is to be feared that with the increase of wealth among us this encroachment is taking place, and that the individual is now born with such a mass of implied responsibilities arising from the vested property rights of others as to be a hindrance to his advancement. In a great degree this is perhaps inevitable, but it is one of our dangers. And surely courts should not increase these responsibilities without a full sense of the gravity of the situation. Yet in this very case the court places upon the men, as being employed in a semi-public service, serious responsibilities which they are held to have undertaken by implication, but for which they receive no return.\* They are employed on ordinary competitive principles, have no permanent tenure of their positions and no share in the profits. This is allowing property rights to encroach on personal rights. If history has a lesson, it is that in great communities the seed of destruction has not been any deficiency of national wealth, but the impossibility of keeping up,

\* P. 752.

along with the increased national wealth, a high national character. Assyria, Israel, Lydia, Persia, Carthage, Rome, show this. In each one of these great empires a period of wonderful material prosperity immediately preceded a period of decay. And more important to our country than millions it is that no man's liberty should be unjustly abridged by our courts.

These arguments of injury to the public, used to condemn a course of action which is new, are not unnatural, though usually highly illusory. They were used a hundred years ago against strikes and all concerted efforts of laborers to better their condition, and hundreds of years before that to support a state bordering on serfdom. A radical change in the social system is always injurious to many individuals. Probably Hume's profound remark—"There is no abuse so great in civil society as not to be attended with a variety of beneficent consequences"—may be inverted, and still read truly: there is no institution so beneficial in civil society as not to be attended with a variety of evil consequences. In the feudal days of English labor there was no laboring class, as we understand the expression, for there was no manufacturing on a large scale. This dates from the middle of the last century. Prior to that, manufactures were imported, and laborer meant agricultural laborer. These were bound to the soil or to the household retinue as the property of the feudal superior. The early labor legislation was of the harshest character. In 1349 was passed the Statute of Laborers, 22d Edw. III, with the view, it is suggested,\* of providing the lords with a substitute for the system of villeinage then breaking down. The preamble of the statute recites that it was enacted to check the rise of wages incident on the black death. Workmen are to serve whoever first requires them, at a fixed rate of wages, on pain of imprisonment. They must remain in their existing places of residence and swear to obey the provisions of the act. This

\* Stephen, "History of Criminal Law of England," v. iii., p. 204.



statute is called coarse and brutal in an American decision,\* but for centuries its influence ruled in English legislation. The second and third of Edward VI., c. 15 (1548), forbids "all conspiracies and covenants of workmen not to make or do their work but at a certain rate or price." The third violation is punishable by the pillory, the loss of an ear, and being taken as a person infamous. In the seventeenth and eighteenth centuries numerous statutes were passed establishing rates of wages and hours of labor in the different occupations. Both hours and rates were to be altered only in the decision of a Court of Quarter Sessions. These statutes, the reports as in a New York case, *Master Stevedores' Association v. Walsh*, 2 Daly, 1 (1867), were "laws made in the interest of employers, in the creation of which those who were most affected by them had no share." In 1799 (39 and 40 George III.) were passed the Combination Laws, designed to suppress all combinations of workmen for the purpose of raising wages. Contracts for obtaining an advance of wages, for shortening hours or decreasing the quantity of work—except contracts between a single journeyman and his master—subject the person entering them to imprisonment at hard labor for three months. This was the high-water mark of coarse labor legislation. In 1825 was enacted 6 George IV., c. 129, which was, considering all things, of a very liberal character. It legalized certain labor combinations and strikes, and first attempted to establish the distinction between coercion and intimidation as means of influencing workmen to leave their employment. Now began a notable change in the English court. The new statute and the new tendency were regarded by the judges as against *public policy*, and they adopted an interpretation of the statute which went very far toward annulling it. They decided that a combination among workmen to raise wages was *not* illegal at *common law*, and that the statute had not repealed the common law, except as to the exact conduct

\* *Harvester v. Harvester*, 11 Menhardt, 60 How. Prac. Rep., p. 168 (1886).

specified in the statute. While allowing certain strikes, therefore, the result of their view of the law was, as observed by Stephen, "to render illegal all the steps usually taken by workmen to make a strike effective." By reason of the great length of time during which statutes prohibiting such combinations had been in force, precedents of indictments at common law for these conspiracies were few and of doubtful authority, and the better opinion now seems to be that the court erred in its interpretation.\*

The view of the English courts of the time is unofficially summed up by Sir William Erle in his "Law Relating to Trade-Unions." This work was practically a part of the report submitted by the royal commission appointed to examine the law relating to trade-unions, of which commission Sir William Erle was a member. He had previously been an eminent judge of the Court of Common Pleas. Sir William Erle says: "Every act causing an obstruction to another in the exercise of the right comprised within this description—done, not in the exercise of the actor's own right, but for the purpose of obstruction, would, if damage should be caused thereby to the party obstructed, be a violation of this prohibition." The question of course comes on the meaning of the terms. What does "obstruction" mean to Sir William Erle? He defines it an "unlawful coercion." But when he comes to define unlawful coercion it is impossible to distinguish this from whatever is injurious to the employer, and is expected to be injurious. He says on page 74, "Although a combination merely for the purpose of raising wages is permitted by the statute,† and a simultaneous stop from work of several men really intended for that purpose is permitted, yet a simultaneous stop for the immediate purpose of inflicting a loss upon an employer, and so of coercing his will with an ultimate view of raising wages, does not seem to me to be

\* Wright on Cr. Cons. 56; *Master Stevedores' Assn. vs. Walsh*, 2 Daly, 1 (1867); and *Curran vs. Treleaven*, Cox's Cr. Cases, v. 17, 356 (1891).

† 6 Geo. IV., c. 129.

permitted." On which Sir James F. Stephen thus comments, in the words placed at the head of this paper: "It is difficult to see how, in a case of a conflict of interest, it is possible to separate the objects of benefiting yourself and injuring your antagonist. Every strike is in the nature of an act of war. Gain on one side implies loss on the other, and to say it is lawful to combine to protect your own interest but unlawful to combine to injure your antagonist, is taking away with one hand a right given by the other." In 1875 was enacted the Conspiracy and Protection of Property Act,\* a statute of the utmost importance. Of this I shall speak further.

The courts were greatly assisted in the repressive tendencies which they manifested toward labor organization by the very peculiar nature of the crime of conspiracy. The boundaries of this crime are altogether indefinite, not to say unknown. Not only is it a criminal conspiracy to combine to commit a crime, and to combine to commit an act which, if done by one, would subject him simply to an action for damages—but it may be conspiracy to combine to commit an act which would be entirely innocent if done by a single person. This is where considerations of "public policy" are applied.† What the conduct is, which men may innocently do alone, but becomes criminal if done together, rests in the discretion of the courts. It is defined in no statutes and no decisions. It is notorious that many members of the legal profession believe that the scope of this crime should be restricted; for its uncertainty and the power which it gives the court of saying what public policy shall be, are deemed equally objectionable. "There is perhaps no crime, an exact definition of which it is more difficult to give than conspiracy."‡ "No branch of the law has gone through so many transformations as the law relating to conspiracy."§ Mr.

\* 38 and 39 Vict.

† "A reason which puts an end to all argument." Morawitz on Priv. Corps., 2d ed., section 729.

‡ State vs. Donaldson, 32 N. J. Law, 152 (1867).

§ State vs. Glidden, 55 Conn., 60., (1887).



Wright in his learned monograph on the subject has ascertained that the law had its origin in the Star Chamber,\* "a court which legislated as well as judged, and which, as Lord Clarendon says in his 'History of the Great Rebellion,' held for honorable that which pleased and for just that which profited." † From this beginning it gradually extended until in 1717, Hawkins, in his "Pleas of the Crown," lays down the general doctrine "that there can be no doubt that all conspiracies whatsoever, wrongfully to prejudice a third person, are highly criminal at common law." On this Mr. Wright comments, "A proposition to which unless by '*wrongfully*' he meant by criminal means, the authorities cited by him with the exception of the argument of counsel as reported by Keble, furnish little or no support." Mr. Wright maintains that the view held by the English court after the passage of 6 George IV., in 1825, that combinations for controlling masters were criminal at common law—was erroneous, and the establishment of such a rule "would seem to be a modern instance of the growth of a crime at common law by reflection from statutes, and of its survival after the repeal of those statutes, somewhat in the same manner in which combinations for certain kinds of fraud continued to be criminal after those frauds had ceased to be punishable apart from combination" (p. 56.)

In recent times the laboring classes have attempted to better their condition and command the labor field by more extensive combinations. The boycott is a modern invention. The events from which this word originated are thus narrated in Justin McCarthy's "England under Gladstone." "Captain Boycott was an Englishman, an agent of Lord Earne, in the wild and beautiful district of Connemara. In his capacity as agent he had served notices upon Lord Earne's tenants. . . . The population of the region for miles around resolved not to have anything to do with him, and

\* See Poulterers' Case, 9 Co. Rep., 55 B.

† Argument of counsel in *State vs. Glidden*.

as far as they could prevent it, not to allow any one else to have anything to do with him. *His life appeared to be in danger—he had to claim police protection.* . . . To prevent civil war the authorities had to send a force of soldiers, and Captain Boycott's harvests were brought in guarded always by the little army."\* This lawless and unjustifiable proceeding was the origin of the word, and its unfortunate origin has undoubtedly contributed to the prejudice which the court feels toward acts called by this name. For the meaning of the word, by a natural process of development, has been extended until it now includes peaceful labor movements. The definition in Webster's Dictionary, edition of 1890, carries no necessary implication of violence. "To combine against a landlord, tradesman, employer or other person to withhold social or business relations from him and to deter others from holding such relation." The idea of our courts, however, has uniformly been that the word implied lawless violence, or what directly led to it.† At all events, in most of the cases decided against boycotting in this country by way of injunction to restrain it, or by indictment to punish it, there has been present a distinct element of violence. This is true in *People vs. Wilzig*, 4 N. Y. Cr. Rep., 403 (1886); in *People vs. Holdorf*, in *People vs. Kostka* (same volume) and numerous other cases. Undoubtedly the decisions have gone farther. They pronounce a boycott an unwarrantable attempt to interfere with an employer's business, and as he must frequently submit to it or be ruined, as practically coercion. The avowed purpose being to ruin a man's business, it makes no difference whether force be used or not.‡

Let us recall the language of Sir James F. Stephen, which I have already quoted. "It is difficult to see how, in case of a conflict of interest, it is possible to separate the objects

\* The Italics are mine.

† See language of court in *State vs. Glidden*, 55 Conn., 50, (1887.)

‡ *Old Dom. S. S. Co. vs. McKenna*, 30 *Fed. Rep.*, 49, and other cases.

of benefiting yourself and injuring your antagonist." The passage of the Conspiracy and Protection of Property Act (38 and 39 of Vict., 1875) was an appreciation in England of this manner of reasoning. Its important section is this: "An agreement or combination by two or more persons to do, or procure to be done, any act in contemplation or furtherance of a trade dispute between employers and workmen, shall not be indictable as a conspiracy, if such act committed by one person would not be punishable as a crime." This puts an end to conspiracies to accomplish something relative to trade disputes which one person might without criminality do alone. Intimidation is forbidden under a severe penalty, and what is intimidation is very fully defined. It includes violence to the other, his wife, children, or injury to his property; persistently following such person about; hiding his tools or clothes; and watching and besetting the house where he is. The advanced character of the English law on this subject as compared with our own is shown by two very recent cases, *Gibson vs. Lawson and Curran vs. Treleaven*.\* In the first the employees at an iron works notified their employer that if a certain fellow-workman did not join their union they should quit. The fellow-workman was notified by the superintendent of the employer, but declined to join the men's union and he was dismissed to avoid a strike. The men were indicted, but the court held that their conduct was allowable under the recent act. The second case is still stronger. Here an employer was notified by members of a trade-union that if he continued to employ non-union men the unions would do their best to injure his business, and on his declining to bind himself, the defendant, a person in authority in the trade-union, called to the employer's men to quit work, which they did. This conduct also was decided to be no longer criminal. There was no malice in fact toward the employer, the purpose of the men being to obtain higher wages.

\* *Cox, Cr. Cases*, 17, p. 356 (1891).



This is substantially the position for which I contend—the position of the English law. Peaceable efforts,—employed not for malice but for the interest of those using them, for the bettering of their condition,—to induce others to withdraw their labor from an employer whose conduct is deemed hostile to the general cause, should not be restrained or punished by the courts. No matter if the purpose be to dictate to the employer, to control his business, to direct him, if possible, as to whom he will employ and what he will pay, and to prevent others from taking the vacant places,—to ruin him, if you will. All these acts done under the above-mentioned restrictions are precisely in the spirit of the familiar industrial processes about us.

Consider the nature of the act when a powerful commercial establishment puts down prices in order to undersell weaker competitors, or enters into an arrangement with other houses by which this is done. This is lawful competition, yet it is done in a deadly spirit of destruction, with an intent to ruin which has no counterpart in labor movements. The small dealer is without refuge. The lesser amount of his capital puts him at a disadvantage from which he cannot escape, and as this underselling is necessarily done by a successful house, it means an effort to make greater, profits already great. Whereas workmen may well be excused for a certain hardness toward others, having rarely more than a narrow margin between them and penury. In truth every kind of competition, so far as it is beneficial to one, is to nearly the same degree injurious to others. Every merchant who makes an attractive display of his goods, who advertises widely and ingeniously, who searches for popular novelties, does all these things in order to draw custom to himself. And this increased custom he perfectly well understands is taken from other merchants, and he may therefore be said in a sense to follow a line of conduct for the purpose of injuring others. It is very difficult to distinguish at this point. Competition is a state of war. The

test of injury to one's opponent is clearly no test. If force be barred and actual malice, when this is the principal motive of the conduct in question, all will have been done that is practicable.

Here is the language of the English court in the very recent case, *Curran vs. Treleaven*, cited above, which may be said to express the latest position of the English law on this question:

"The recorder held that though an agreement to strike to benefit themselves would be now a lawful agreement, a strike which would have the effect of injuring the employer is illegal and indictable at common law. He cites in support of this view some phrases from the judgments of the Lords Justices in the case of *Mogul S. S. Co. vs. McGregor et als.* But with deference he has somewhat misapprehended the point of those observations. It is true that where the object is injury, if the injury is effected an action will lie for the malicious conspiracy which effected it; and therefore it may be that such a conspiracy, if it could be proved in fact, would be indictable. But it was pointed out in some detail by the court of first instance, that when the object is to benefit one's self, it can seldom, perhaps it can never, be effected without some consequent loss or injury to someone else. In trade, in commerce, even in a profession, what is one man's gain is another's loss; and where the object is not malicious the mere fact that the effect is injurious does not make the agreement either illegal or actionable and therefore not indictable."

The common law doctrine of freedom of trade, of unlimited competition, needs revision. It has inherited from feudal times an hostility to united labor, and is not consistent with itself. Sir William Erle expounds this doctrine in language that might have been written by Herbert Spencer, and the idea of which seems actually identical with Mr. Spencer's famous definition of justice. "Every man has a right under the law as between him and his fellow-subjects,

to full freedom in disposing of his own labor and his own capital according to his own will. It follows that every other person is subject to the correlative duty arising therefrom, and is prohibited from obstruction to the fullest exercise of this right which can be made compatible with the exercise of similar rights by others."\* But the practice is otherwise. As a matter of fact, says Stephen, "It is no less true that freedom of trade in the wide sense, namely its freedom from all legislative interference, the doctrine that each individual man and every body of men however constituted, is the best judge of his or their own interests and ought to be allowed to pursue those interests by any method short of violence or fraud, is quite a modern doctrine. It was for many centuries opposed to the whole current of English legislation."† The law has not yet adapted itself to the new position of the laboring class, arising from the introduction of the *great industry*, a thing of hardly a century in England and of less than half a century in our country. The competitive idea must be developed if it is to exist at all.

The process by which ideas on these subjects have arisen and developed is interestingly shown by Sir Henry Maine in his work on "Village Communities." His researches led Maine to the conclusion that in the ancient village community which was the original political unit among Aryan peoples, price was regulated by custom, and that to seek the highest possible price for one's goods would have been regarded as immoral conduct. The highest-possible-price idea now current in traffic was an outcome of trading at the markets or fairs with the inhabitants of other communities, who were regarded as more or less in the light of enemies. From this source the idea spread over the world. This conclusion shows, if it were necessary to show, the folly of attaching any particular sacredness to principles of conduct because they are old.

\* *Op. cit.*, p. 12.

† *Op. cit.*, v. iii, p. 203.



The laboring class of a country is bound together by a common interest of vital importance. The earnings in the employments called professions are not the same for different members. Greater skill or diligence brings greater rewards. But the work of the laboring classes so called is relatively unskilled. In the occupations in which they are engaged all can do the work about equally well. There is little opportunity for superiority and all are about equally paid. Of a half dozen physicians or architects or electrical engineers in a city no two will be receiving the same compensation, but able-bodied car-conductors or stevedores or truckmen are paid the same wages. Any one man's greater skill will not bring him an increase. The wages of all must rise, if of any, and this fact makes union natural and necessary. Our civilization requires for its continuance the performance of a vast amount of unskilled routine labor and seems to make imperative the existence of a laboring class. The only way that these classes can improve their condition is by united action among their members. This shows the supreme importance of labor unions. It would justify them and should dispose the law to regard them favorably if their success had been far less than it has. "The fact was shown in evidence before the British royal commission which reported in 1869 that there have been fewer disputes with employers and greater permanence of wages in the trades with the strongest and richest and most extended unions."\* Other causes may benefit the working classes by diminishing the prices of the articles which they consume, but the only way in which they are likely to obtain more of those articles, the price remaining the same, is by some means which regulates and controls the supply of labor.

This necessary unity of interest among the members of the working class is an important element in the consideration of labor questions. The cause of each is the cause of all. Their purpose is, other things being equal, to obtain

\* *Johnson Harvester Company vs. Meinhardt*, 60 How. Prac. Rep., p. 179.

the highest possible wages for what they do. The purpose of their employers is, other things being equal, to obtain the work for the least amount of money. The employers, on their side, have a comprehensive view of the whole labor field. While each employer is frequently competing to the death against others in the same line of business, this competition does not necessarily involve any conflict between them as to the wages paid their employes. It is not infrequent for employers in the same business to agree on rates of wages. Such a course is evidently legal, but it operates as a combination against the men. And such a combination, with a few persons being in it—can usually be made without great difficulty. A dozen employers of labor meet at lunch in some metropolitan hotel, and in a single afternoon make arrangements which control millions of dollars and affect the wages of thousands of employes. On the other hand the men labor under inherent disadvantages. They have not usually as good a mental training for the management of such large affairs. They have not the same knowledge of the state of the business, of the profits enjoyed by their employers. They are in danger of being misled by the headstrong or the selfish; and the countless differences of disposition, temper and nationality are so many disintegrating forces. It must require a fair degree of prudence, self-restraint and wisdom, in the members of a labor organization to make it successful, and the fact that many fail to perform a proof of this. It is for the courts to say whether they will favor these useful organizations by a liberal course of construction, or discourage them by its opposite.

CHESTER A. REED.

NOTE.—While this paper was in press the injunction issued by Judge James C. Bennett, Judge for the Eastern District of Wisconsin, in the case of the Receivers of the Northern Pacific Railroad Company, came to my attention. Although in accordance with the views above expressed, the injunction seems to me all wrong. I can see but one respect in which it is not supported by decided cases of authority, and

therefore requires comment. The prohibition against conspiring to quit, or advising others to quit, the employ of the Receivers, with the intention of crippling the railroad property, can be sustained by much authority. These words look to an organized, pre-arranged, quitting, and this was forbidden in the Ann Arbor case. But the following words seem to refer to a quitting by individuals independently: "*and from so quitting the service of the said receivers without notice, as to cripple the property, or to prevent or hinder the operation of said railroad.*" If this means that the men cannot, singly and spontaneously, leave their employment, the occasion does indeed go beyond the Ann Arbor decision, or any other, and seems both monstrous in principle and without authority from the decided cases.—*C. A. Reed.*



## THE SIGNIFICANCE OF A DECREASING BIRTH-RATE.

The discussion of the relation of population to the means of subsistence, which first took a scientific form in the famous "Essay on Population," published in 1798 by the Rev. Thomas Robert Malthus, was provoked by the theories of equality and human perfectibility set forth in Godwin's "Political Justice." It was also, undoubtedly, a protest against the prevalent feeling in England in favor of a further extension of the poor laws.

Most of those who concern themselves with economic and social questions think that they have a knowledge of Malthusianism sufficient "for practical purposes," as John Stuart Mill said that they have of wealth. Mr. Mill, as we now know, was strangely mistaken about wealth, and it is an error to suppose that many, either students or general readers, have taken the trouble to know the work of Malthus at first hand. It will not be a waste of space, therefore, to recall briefly his exact teaching.

The Malthusian theory of population affirms that population has the "constant tendency to increase beyond the means of subsistence,"\* that "population, when unchecked, goes on doubling itself every twenty-five years, or increases in a geometrical ratio,"† and that, "considering the present state of the earth, the means of subsistence, under circumstances the most favorable to human industry, could not possibly be made to increase faster than in an arithmetical ratio;" therefore "the increase of the human species can only be kept down to the level of the means of subsistence by the constant operation of the strong law of necessity, acting as a check upon the greater power,"‡ that is, the power

\* Malthus, "Essay on Population," eighth edition, p. 2.

† *Ibid.*, p. 4.

‡ *Ibid.*, p. 6.

of population. The possible checks upon this rapid increase of population are the preventive check, peculiar to man because of his superior reasoning powers and his will, and the positive check to which plants and animals are also subject. The preventive check most strongly approved by Malthus is moral restraint, which he defines as "a restraint from marriage from prudential motives, with a conduct strictly moral during the period of this restraint,"\* or as "the restraint from marriage which is not followed by irregular gratifications."† He considers it "the least evil that can arise from the principle of population."‡ All other preventive checks clearly come under the head of vice.

The positive checks he divides into two classes: Misery, which includes "those which appear to arise unavoidably from the laws of nature,"§ and vice, which includes "those which we obviously bring upon ourselves, such as wars, excesses, and many others which it would be in our power to avoid." "They are brought upon us by vice and their consequences are misery."|| The three propositions that Malthus attempts to prove are:

"1. Population is necessarily limited by the means of subsistence.

"2. Population invariably increases where the means of subsistence increase, unless prevented by some very powerful and obvious checks.

"3. These checks, and the checks which repress the superior power of population, and keep its effects on a level with the means of subsistence, are all resolvable into moral restraint, vice and misery."¶

This essay of Malthus called forth many immediate criticisms. Godwin, Coleridge, Hazlitt, Graham, Weyland,

\* *Ibid.*, p. 8 (note).

† *Ibid.*, p. 8.

‡ *Ibid.*, p. 7.

§ *Ibid.*, pp. 8-9.

|| *Ibid.*, p. 9.

¶ *Ibid.*, p. 12.

Owen, and others wrote against his "pernicious" and "false" doctrine. Godwin's "Enquiry concerning Population" was by far the most ambitious and the strongest attack upon Malthus, and yet it made comparatively little lasting impression. Godwin himself admitted that even at that time the doctrine of Malthus had gained a firm foothold in the thought of the day. In the fourth chapter of his "Enquiry" he said, "Notwithstanding this glaring rottenness and fallacy in the first concoction of his work, the author has carried the whole world before him; no other system of thinking is admitted into the company of the great; hundreds of men who were heretofore earnest champions of the happiness of mankind have become his converts."\* The scientific merit of Godwin's criticism may be judged by the fact that his objections to the Malthusian doctrine have no weight in the modern discussion of the subject, whereas the classical doctrine of Malthus is still worthy of respectful consideration.

These discussions had in a measure passed out of the public mind, when the question assumed a new form in the writings of Mr. Herbert Spencer. In an essay on the "Theory of Population Deduced from the General Law of Animal Fertility," published in the *Westminster Review* in 1852, he first stated his ideas on population, which were afterward more fully developed in his "Principles of Biology." Mr. Spencer treats the Malthusian theory from a strictly biological and evolutionary point of view. He agrees with Malthus that population constantly tends to increase beyond the means of subsistence, but adds that this very fact is the cause of the progress of the human race. It stimulates man to greater effort, "causes a never-ceasing requirement for skill, intelligence and self-control; involves, therefore, a constant exercise of these and gradual growth of them."† "Excess of fertility, through the changes it is ever working

\* Godwin, "Enquiry concerning Population," 1820. B. I. ch. IV., p. 27.

† Spencer, "Principles of Biology," II. Part VI. p. 499.



in man's environment, is itself the cause of man's further evolution; and the obvious corollary here to be drawn, is, that man's further evolution so brought about, itself necessitates a decline in his fertility."\* The latter clause is Mr. Spencer's peculiar contribution to the subject. He holds that throughout the vegetable and the animal world, and in the human race itself, "Individuation and Genesis are necessarily antagonistic,"† by Individuation meaning "all processes by which individual life is completed and maintained," and by Genesis "all processes aiding the formation and perfecting of new individuals." He therefore concludes that "the further progress of civilization which the never-ceasing pressure of population must produce, will be accompanied by an enhanced cost of Individuation,"‡ and consequently by a diminishing birth-rate. This statement is not a refutation of the Malthusian doctrine, as some would maintain, first, because Mr. Spencer is "simply pointing out how the preventive check applies itself,"§ and, second, because as Mr. Spencer himself states in regard to the lower animal and the vegetable world, the higher type is better adapted to its conditions, has a chance of longer survival, and therefore a greater chance of leaving offspring. "Though the more evolved organism is the less fertile absolutely, it is the more fertile relatively."|| In his speculative thought upon the future of the human race, Mr. Spencer sees that the highest product of evolution will be "a form in which the amount of life shall be the greatest possible, and the births and deaths the fewest possible,"¶ in other words, that as the birth-rate diminishes, the death-rate also will diminish, until the excess of fertility disappears. Man is continually progressing toward a state of perfect equilibrium with his

\* *Ibid.*, p. 501.

† *Ibid.*, p. 409.

‡ *Ibid.*, p. 501.

§ President E. B. Andrews, "Are There Too Many of Us?"—*North American Review*, November, 1892, p. 597.

| Spencer, "Principles of Biology," II, Part VI, p. 478.

¶ *Ibid.*, p. 506.

environment, and in such a state there will also be an equilibrium of births and deaths. Such will be the final "state of harmony in which each of the factors is just equal to its work,"\* and evolution shall have ceased. Not until this ultimate point is reached will the doctrine of Malthus cease in general to be true.

Mr. Spencer's contribution closes one era in the development of the theory of population. Up to this point the discussion was entirely theoretical, or was based upon general observation rather than upon definite statistical data.

The second, or present, era in the development of the theory owes its marked difference in character to the economic and industrial changes which have practically greatly modified the relations between subsistence and the birth-rate. It is the period following a remarkable development of the factory system and the adoption of free trade by England. The many inventions, the applications of steam and electricity, the increased facilities for transportation both by railway and by steamship, have entirely changed the character of the economic and industrial life. Wealth has increased much faster than population, both in Europe and in America. This fact has been determined not by general observation, but by exact, or relatively exact, statistical investigation. The investigations of M. Levasseur show that there has not been even a "tendency" of population to overtake the means of subsistence. "By a natural tendency, without any violent repression from exterior forces or any painful restraint upon desires, population has grown less rapidly than wealth, and has thus increased its well-being. The principal cause of this phenomenon, which in his day Malthus could scarcely have suspected, is the enormous productive power that has been given to industry by the discoveries of science." †

\* *Ibid.*, p. 508.

† E. Levasseur, "*La Population française*," III, p. 109.

Statistics show also great variations in the rates of increase of population when comparisons have been made by countries, by nationalities, or by city and rural districts. More specifically, attention has been called to the fact of an actually declining birth-rate in many countries of high civilization,\* especially in France, New England, and, during the last ten years, in the United States as a whole.† This does not necessarily indicate a natural decrease in population, since the death-rate may be correspondingly low in these regions. Dr. Longstaff, however, thinks that "under the conditions of modern life, with a high birth-rate there will be associated a rapidly increasing population,"‡ and undoubtedly the converse would hold true. In France the statistics for the last few years show that the population has absolutely decreased.

These facts make it evident that the question of population in its relation to economic development must undergo a thorough reconsideration. Already several important and many minor studies have been made in this direction by Dr. George Hansen in Germany; M. Levasseur, M. Leroy-Beaulieu and M. Dumont in France; Dr. George Blundell Longstaff and Dr. J. Milner Fothergill in England; and Dr. John S. Billings, Dr. Cyrus M. Edson, and President E. B. Andrews in the United States.

M. Levasseur maintains that inequalities of production and consumption are primarily the causes of changes in the rate of the increase of population.

"The increase of a population is dependent upon the sum of its means of subsistence and the sum of its wants, and hence between the terms population, production and consumption there exists an intimate relation. But it is not unchangeable. This is one reason why in every population there

\* P. Leroy-Beaulieu, "The Influence of Civilization upon the Movement of Population." *Economiste Français*, September 20 and 27, 1890, and *Journal of the Royal Statistical Society of London*, June, 1891.

† Dr. J. S. Billings, "The Diminishing Birth-rate in the United States."—*The Forum*, June, 1893.

‡ Longstaff, "Studies in Statistics," p. 11.



are both rich and poor, why peoples and individuals may enrich or impoverish themselves, and in consequence why the number of inhabitants of a country may increase rapidly or slowly, remain stationary or diminish."\*

M. Levasseur considers the conditions in France most favorable from an economic point of view. In his opinion it is very desirable that each generation should be born into a better condition than that of the preceding generation, and that the standard of life should be raised; this result, he says, will happen, as it has happened in France, where wealth increases faster than population and is widely diffused.†

From a political point of view he considers the question very serious, since the decreasing population of France makes her armies inferior in numbers to those of other nations.‡ On the whole, however, he approves of the present condition of population in France.

M. Dumont holds that wealth is not the cause of the diminishing birth-rate, but only the condition; that, though on the surface the decrease of population is an economic question, at bottom it is intellectual, political, and æsthetic; that as the desire to rise in the industrial, intellectual, political, or æsthetic world increases, the birth-rate diminishes.§

M. Leroy-Beaulieu shows statistically that "a low birth-rate goes hand in hand with high wages and the spread of education," and that, "it also appears to be particularly associated with democratic aspirations, and still more with a lessening of religious belief on the part of the people, and a modification of the old ideas of resignation and submission to their lot."||

\* Levasseur, "*La Population française*," III, p. 27.

† *Ibid.*, p. 223.

‡ *Ibid.*, p. 224.

§ Dumont, "*Dépopulation et Civilisation*," p. 356.

|| P. Leroy-Beaulieu, "The Influence of Civilization upon the Movement of Population."—*Economiste Français*, Sept. 20 and 27, 1890, and the *Journal of the Royal Statistical Society of London*, June, 1891.

Dr. Hansen,\* Dr. Longstaff,† and Dr. Fothergill,‡ show especially the evil influences of city life upon the population, both in weakening the vitality and in diminishing the birth-rate. Dr. John S. Billings,§ Dr. Cyrus M. Edson,|| and President E. B. Andrews,¶ have studied the question as it is presented in the United States. President Andrews, though he refuses to adhere strictly to the classical Malthusian doctrine, accepts the main principle that subsistence is limited, and that therefore some checks are necessary to keep the population within the limits of subsistence. Dr. Billings and Dr. Edson discuss the diminishing birth-rate in the United States and its probable causes.

The generalizations tentatively reached by all these inquirers are that civilization in general checks the rate of increase of population in spite of a diminishing death-rate; that city life is on the whole unfavorable to the natural increase of population, and that what the economists call the "raising of the standard of life" operates in the same way.

It has been assumed that the changes in the marriage-rate and the marriage age will account in a great measure for the decreasing birth-rate, but another explanation is more than hinted at in the following quotation from Dr. John S. Billings:

"It is probable that the most important factor in the change is the deliberate and voluntary avoidance or prevention of child-bearing on the part of a steadily increasing number of married people, who not only prefer to have but few children, but who know how to obtain their wish."\*\*

\* Hansen, "*Die drei Bevölkerungstufen*."

† Longstaff, "*Studies in Statistics*."

‡ Fothergill, "*The Town Dweller*."

§ Billings, "*The Diminishing Birth-rate in the United States*."—*The Forum*, June, 1893.

|| Edson, "*American Life and Physical Deterioration*,"—*North American Review*, October, 1893.

¶ Andrews, "*Are There Too Many of Us?*"—*North American Review*, November, 1892.

\*\* Billings, "*The Diminishing Birth-rate in the United States*."—*The Forum*, June, 1893.

M. Levasseur and M. Dumont evidently hold the same opinion :

"By prevision we understand the human will, restraining or directing the reproductive instinct, with a view to bringing children into the world only at such times and in such numbers that the father can hope to support them and to educate them for a position equal to his own. Prevision is the characteristic of the man who reflects, and who, conscious of his responsibilities, does not leave his destiny to chance. This virtue is the palladium of human liberty. The philosopher and the economist who believe in that liberty ought, if they are logical, to recommend such prevision, recognizing that if it is useful in the great mass of actions, it is nowhere more opportune than in the grave question of the growth of the family and the education of the child. . . . It is enough to lay down as a general rule that reason should control instinct."\* M. Dumont says, "The real cause of the decrease of our birth-rate is the wish to have few or no children, and that wish is determined by a combination of intellectual, moral, and æsthetic tendencies peculiar to our people."†

Dr. Cyrus M. Edson agrees with Dr. Billings that "the voluntary avoidance and prevention of child-bearing is steadily increasing," but thinks that the principal cause is the physical and nervous deterioration of the women of the United States, and this, he asserts, is largely due to the severe strain of modern life and education.‡ In fact, anyone who is at all familiar with the statistical and medical literature of the subject is aware that the voluntary prevention of conception is the explanation of the diminishing birth-rate that is generally accepted by physicians and statisticians.

\* Levasseur, "*La Population Française*," III, pp. 218-220.

† Dumont, "*Dépopulation et Civilisation*," p. 97.

‡ Cyrus M. Edson, "American Life and Physical Deterioration."—*North American Review*, October, 1893.



It is clear from the foregoing review that any further contributions to the theory of population must come from the side of statistics; that only by careful statistical investigation can the laws which govern the increase or the decrease of population be determined. The true method has evidently been applied in the exhaustive studies of M. Levasseur in France. It should also be applied to the statistical data furnished by other countries, but especially should these investigations be made in the United States. There are presented here contrasts of geography, race, nationality, of industrial and social conditions not to be found in any other part of the world, and they are on such a scale of magnitude as to render them peculiarly well adapted to statistical research. Few people realize the wealth of material contained in our census and other statistical reports. It has frequently been used to show detached facts or to illustrate special topics, but not often to throw fresh light upon economic or sociological theory.

For a complete study of the birth-rate it is obviously necessary that there should be many more comparisons of one group of statistical facts with another than those which have already been made by Dr. Billings and Dr. Edson. Many other conditions indicative of the general advance of civilization and of individual evolution should be compared with the birth-rate. Further statistical research may prove that their theory of the cause of the diminishing birth-rate is insufficient.

The present investigation is a preliminary study of a few of the many facts found in the United States census reports. Its object is to show the relation of the birth-rate in different parts of the United States to certain phenomena which, it is thought, may have some influence upon the number of births. The statistics used are taken from the tenth census reports. The age of these figures is no bar to their use in such an investigation. The relation of connected phenomena to one another will appear in them as clearly as in figures of more

recent origin. The complete vital statistics of the eleventh census are not yet available.

The birth-rates of the white and the colored population are compared, the relation between the birth-rate and the death-rate from nervous diseases is shown for both sexes, and also the relation between the birth-rate and the density of population, the agricultural wealth, the manufactured wealth, and the mortgage indebtedness.

The vital statistics of the tenth census were tabulated according to a different plan from that of all the other statistics of that census. The unit of locality used was not the State or Territory, but the county. As it was, however, a work of too great magnitude to show the relations of each cause of death to the sex, age, etc., in each of the 2605 counties of the United States, and as the numbers for many of the counties would have been too small to permit of any useful deductions, Dr. Billings decided to make the more elaborate compilations for groups of counties within the limits of each State. The selection of the counties that formed these "State groups" was made by Mr. Henry Gannett, the geographer of the census. The groups were selected in most cases according to the topographical features of the State, and evidently could be consolidated by States for comparison with the tables of past or future censuses, with those of the State censuses, or with the other statistics of the same census. They were also consolidated into larger "grand groups," whose boundaries were determined by topographical peculiarities and not by State lines.\* There are in the United States twenty-one of these "grand groups," made up from 111 "State groups."†

\* Tenth Census. Vital Statistics I, p. xiv.

† Grand Group I, the North Atlantic Coast region, includes the following State groups; Maine 1, New Hampshire 1, Massachusetts 1, Rhode Island, Connecticut 1. Grand Group II, the Middle Atlantic Coast region, includes New York 1, New Jersey 1, Maryland 1, Delaware, District of Columbia, Virginia 1.

Grand Group III, the South Atlantic Coast region, includes North Carolina 1, South Carolina 1, Georgia 1.

Grand Group IV, the Gulf Coast region, includes Florida, Alabama 1, Louisiana 1, Mississippi 1, Texas 1.

In the diagrams or charts graphically illustrating the results obtained in the tables, such curves as have heretofore been used to represent sequent phenomena in the same group, and to compare different sets of sequent phenomena, are employed (1) to compare *co-existent* phenomena in the same group, (2) to compare the same phenomena in different groups, and (3) to compare the relations between the different co-existent phenomena in one group with the relations of those in other groups.\*

Grand Group V, the northeastern hills and plateaus, includes Maine 2, New Hampshire 2, Vermont, Massachusetts 2, Connecticut 2, New York 2.

Grand Group VI, the Central Appalachian region, includes New York 3, New Jersey 2, Pennsylvania 1, Maryland 2.

Grand Group VII, the region of the Great Northern Lakes, includes New York 4, Ohio 1, Michigan 1, Indiana 1, Illinois 1, Wisconsin 1.

Grand Group VIII, the Interior Plateau, includes New York 5, Pennsylvania 2, Virginia 2, North Carolina 2.

Grand Group IX, the Southern Central Appalachian region, includes Virginia 3, West Virginia 1, North Carolina 3, South Carolina 2, Kentucky 1, Tennessee 1, Georgia 2, Alabama 2.

Grand Group X, the Ohio River belt, includes Ohio 2, Indiana 2, West Virginia 2, Kentucky 2.

Grand Group XI, the Southern Interior Plateau, includes South Carolina 3, Georgia 3, Alabama 3, Mississippi 2, Tennessee 2.

Grand Group XII, the South Mississippi River belt, includes Kentucky 3, Tennessee 2, Mississippi 3, Louisiana 2, Arkansas 1.

Grand Group XIII, the North Mississippi River belt, includes Missouri 1, Iowa 1, Illinois 2, Wisconsin 2, Minnesota 1.

Grand Group XIV, the Southwest Central region, includes Missouri 2, Arkansas 2, Louisiana 3, Texas 2.

Grand Group XV, the Central region, plains and prairies, includes Ohio 3, Kentucky 4, Tennessee 4, Indiana 3.

Grand Group XVI, the Prairie region, includes Missouri 3, Iowa 2, Illinois 3, Kansas 1, Nebraska 1, Wisconsin 3, Minnesota 2, Dakota 1.

Grand Group XVII, the Missouri River belt, includes Missouri 4, Iowa 3, Nebraska 2, Dakota 2.

Grand Group XVIII, the region of the Western Plains, includes Dakota 3, Montana 1, Wyoming 1, Nebraska 3, Kansas 2, Colorado 1, New Mexico 1, Texas 3.

Grand Group XIX, the heavily timbered region of the Northwest, includes Michigan 2, Wisconsin 4, Minnesota 3.

Grand Group XX, the Cordilleran region, includes Montana 2, Washington 1, Wyoming 2, Idaho, Oregon 1, Colorado 2, Utah, Nevada, California 1, Arizona, New Mexico 2.

Grand Group XXI, the Pacific Coast region, includes California 2, Oregon 2, Washington 2.

\* After this part of the present investigation had been completed, a similar comparison appeared in an article on "The Life and Labour of the People of London," by Charles Booth, Esq., President of the Royal Statistical Society of London. It was delivered November 21, 1893, and was published in the *Journal of the Royal*



The interconnection of the conditions compared in the present investigation is shown by noting the conditions that cohere and the conditions that are opposed in the same group and in the different groups; that is, by noting in how many groups two given conditions are both above or both below the averages of the same conditions for the United States, and in how many groups these conditions oppose each other, one being above the average for the United States and the other below. If such coherence or opposition is found in a large majority of the groups, some causal relation may evidently be inferred. The curves, of course, in themselves mean nothing; they are simply a means of directing the eye to certain points.

The number of deaths from nervous diseases has been chosen for comparison with the birth-rate, because it is in general a measure of the degree of civilization. Dr. Edson has clearly shown that the higher the civilization, the greater is the intensity of life, and the heavier is the strain upon the nervous system; consequently, the number of deaths from nervous diseases will be proportionally greater in the more highly civilized countries. Therefore, if civilization checks the birth-rate, as is affirmed by Mr. Spencer and others, we should expect the death-rate from nervous diseases to rise as the birth-rate falls, and *vice versa*. These statistics of the tenth census have been compiled on the basis of deaths from known causes, instead of on the usual basis of the living population, and therefore any comparison with similar statistics of other countries is impossible.

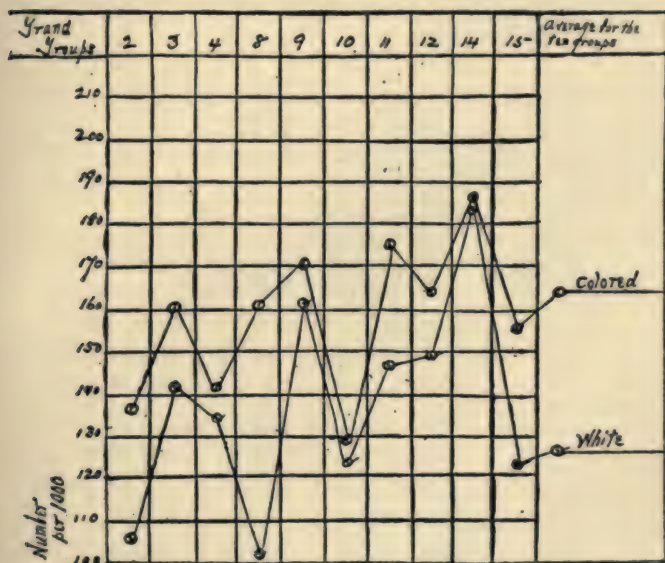
In this investigation the figures for the grand groups, as given in the tabulations of the tenth census, are used without further computation; but, since only the aggregates are

*Statistical Society*, December, 1893. In the twenty-seven registration districts of London, Mr. Booth makes a suggestive study of certain conditions that may influence the increase or decrease of population: poverty, crowding, early marriages, surplus of unmarried men, high birth-rate, and high death-rate. In his tables he shows the interconnection of these conditions "by arranging the London registration districts in order of each of these conditions in turn, from maximum to minimum, and by comparing these orders."

given for the State groups, it was necessary to make many new computations. The figures for the States and Territories were obtained by combining those of the State groups.

CHART I.

BIRTH-RATE OF WHITE AND COLORED IN CERTAIN GRAND GROUPS,  
1880.



The first study is a comparison of the white and the colored birth-rates in the ten grand groups in which the distinction of color is made; namely, in all grand groups in which the colored population forms twenty per cent or more of the total population. The birth-rates are estimated on the basis of the number of women of child-bearing age, that being, as all statisticians agree, a more scientific birth-rate than one estimated on the basis of the total population.

The average colored birth-rate in 1880 for these ten groups was 163.8 per thousand women between the ages of fifteen and forty-nine (both inclusive), while the white birth-rate was 127.1 per thousand. The variation from the average birth-rate for the ten groups is shown for each group in Table I, and more distinctly in Chart I. It will be observed that in four of the ten groups both the white and the colored birth-rates are above the average, and in four others they are both below the average; in other words, in eight of the ten grand groups the phenomena cohere.

TABLE I.

COMPARISON OF BIRTH-RATES, WHITE AND COLORED, IN CERTAIN GRAND GROUPS, 1880.

NOTE. The asterisk (\*) is used throughout this essay to indicate the coherence of the phenomena discussed.

GRAND GROUPS.	Birth-rate per 1000 women between the ages of 15 and 49 (both inclusive).		Variation above or below the average.	
	White.	Colored.	White.	Colored.
Average for the 10 groups.	127.1	163.8	. . . . .	. . . . .
2 . . . . .	106.7	136.8	—20.4†	—27.0*
3 . . . . .	142.1	160.1	+15.0†	— 3.7
4 . . . . .	134.5	142.3	+ 7.4†	—21.5
8 . . . . .	102.3	161.5	—24.8	— 2.3*
9 . . . . .	161.5	169.6	+34.4†	+ 5.8*
10 . . . . .	123.8	129.5	— 3.7†	—34.3*
11 . . . . .	147.1	174.8	+19.6†	+11.0*
12 . . . . .	149.6	163.9	+22.5†	+ 0.1*
14 . . . . .	184.7	187.1	+57.6†	+23.3*
15 . . . . .	123.4	155.9	— 3.7†	— 7.9*

\* Coherences in *eight* groups.

Oppositions in *two* groups.

† White birth-rate higher relatively in *nine* groups.

In Table II the same study is made in the twenty-three State groups in which the distinction of white and colored population is made; that is, in those groups in which the colored population forms fifty per cent or more of the total



population. In fifteen of the twenty-three State groups the white and the colored birth-rates rise and fall together ; in six groups both rise above the average, and in nine both fall below.

TABLE II.

COMPARISON OF BIRTH-RATES, WHITE AND COLORED, IN CERTAIN STATE GROUPS, 1880.

STATE GROUPS.	Birth-rate per 1000 women between ages of 15 and 49.		Variation above or below the average.	
	White.	Colored.	White.	Colored.
Average for 23 State groups .	141.52	166.77	. . . . .	. . . . .
Alabama 1 . . . . .	104.9	107.8	-36.6†	-59.0*
Alabama 2 . . . . .	165.4	176.3	+23.9†	+9.5*
Alabama 3 . . . . .	145.8	164.2	+4.3†	-2.6
Arkansas 1 . . . . .	174.9	176.6	+33.4†	+9.8*
District of Columbia . . . . .	94.1	118.7	-47.4	-48.1*
Florida . . . . .	142.6	149.5	+1.1†	-17.3
Georgia 1 . . . . .	156.7	152.3	+15.2†	-14.5
Georgia 3 . . . . .	139.0	169.6	-2.5	-2.8*
Louisiana 1 . . . . .	131.0	140.8	-10.5†	-22.0*
Louisiana 2 . . . . .	145.7	154.2	+4.2†	-12.6
Louisiana 3 . . . . .	172.7	181.3	+31.2†	+14.5*
Mississippi 1 . . . . .	126.3	148.0	-15.2†	-18.8*
Mississippi 2 . . . . .	158.2	178.4	+16.7†	+11.6*
Mississippi 3 . . . . .	144.1	162.1	+2.6†	-4.7
North Carolina 1 . . . . .	140.2	161.9	-1.3†	-4.9*
North Carolina 2 . . . . .	138.3	180.3	-3.2	+13.5
South Carolina 1 . . . . .	135.1	161.4	-6.4	-5.4*
South Carolina 3 . . . . .	141.4	186.9	-0.1	+20.1
Tennessee 2 . . . . .	154.1	192.9	+12.6	+26.1*
Tennessee 3 . . . . .	142.8	167.8	+1.2†	+1.0*
Texas 1 . . . . .	146.2	149.7	+4.7†	-17.1
Virginia 1 . . . . .	129.9	158.8	-11.6	-8.0*
Virginia 2 . . . . .	120.5	164.4	-21.0	-2.8*

Twenty-three State groups.

\* Coherences in fifteen groups.

Oppositions in eight groups.

† White rate relatively higher than colored in fifteen groups.

Such a remarkable number of coherences in both State and grand groups naturally suggests that there must be

some underlying cause that determines the birth-rate of both white and colored population. Table I and Chart I show also that in both the white and the colored birth-rates, there is a decided difference, in the relative variation of each from the average rate; for example, in eight of the ten grand groups the white birth-rate is relatively higher than the colored; that is, it is either relatively higher above the average rate than is the colored birth-rate in the same group above its average, or it is not relatively so far below the average rate as is the colored. The same thing is seen in the State groups (Table II). In fifteen of the twenty-three groups the white birth-rate is relatively higher than the colored.

This fact, added to that of the greater diminution of the colored than of the white birth-rate during the last decade, is admitted by Dr. Billings to be a strong argument against his theory of the causation of the lowered birth-rate for this country.\*

He, however, tries to explain away the difficulty by attributing the greater decrease in the colored birth-rate partly to the larger number of errors in the data from which the rates are calculated, and partly to the greater relative effect of the voluntary prevention of conception in the South where the practice is comparatively new. Neither of these suggestions seems sufficient to account for the greater diminution of the birth-rate in the South. There is possibly a larger proportion of error in the data collected from the colored people than in that obtained from the Southern white population as a whole, though the information gained from the "poor whites" is probably fully as unreliable as that obtained from the colored people. The statistics in both cases were gathered by the same census enumerators and according to the same method, and therefore the allowance for greater error in the statistics of the colored population

\* Billings, "The Diminishing Birth-rate in the United States."—*The Forum*, June, 1893.

must necessarily be small. The second explanation seems wholly inadequate. No one would claim that the practice of the voluntary prevention of conception is common among the colored people; it is even improbable that it is often found among those of this race who live in cities, and certainly not among the rural population. It cannot be an important factor in the diminishing birth-rate of the colored population.

All will grant that this practice is a product of civilization, and is confined almost entirely to the white population of the United States, and probably to a comparatively small part of that population. If this be so, it can scarcely be accounted the "most important factor" of the diminishing birth-rate of the United States, although it may be an important factor in certain parts of the country and undoubtedly is "steadily increasing." The fact that the lines of the white and the colored birth-rates so closely follow each other (Tables I, II and Chart I) makes it clear that there is some underlying principle of population that determines them both. The explanation advanced by Dr. Billings can hold true of certain localities only at present. It cannot, therefore, be the fundamental cause of the diminishing birth-rate. What that cause is must be left for future investigators to discover.

The comparison of the birth-rates with the death-rates from nervous diseases is significant (Table III and Chart II). The average number of deaths from nervous diseases per thousand deaths from known causes in the United States for 1880, is 113.8: 118.6 for males, 108.6 for females. In only two of the twenty-one grand groups do the birth-rates and the deaths from nervous diseases rise or fall together; in nineteen they oppose each other. In ten of the nineteen groups the birth-rate falls below and the death-rate from nervous diseases rises above the average; in nine the birth-rate rises above the average and the death-rate from nervous diseases falls below. This is true for both sexes, and it happens that for both sexes the phenomena vary



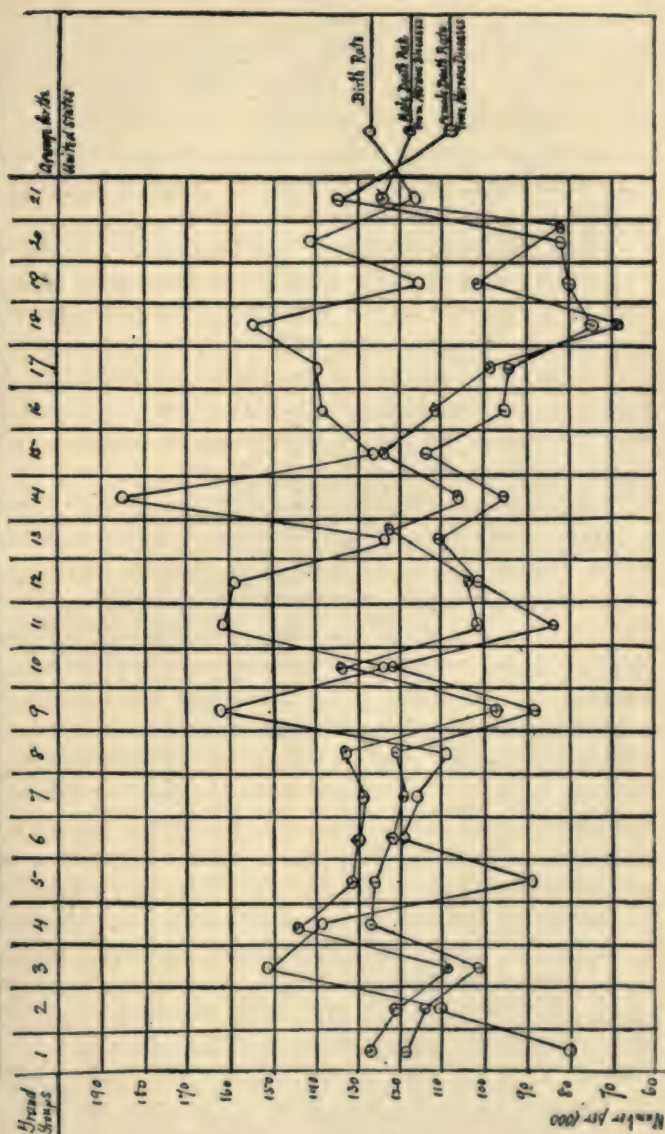
together in the same groups,—grand groups four and nineteen. It may be observed also that in nineteen of the twenty-one groups the death-rate from nervous diseases is higher among males than among females.

TABLE III.

COMPARISON OF BIRTH-RATES AND DEATHS FROM NERVOUS DISEASES  
BY GRAND GROUPS, 1880.

GRAND GROUPS.	Birth-rate per 1000 women between ages of 15 and 49.	Male deaths from nervous diseases per 1000 deaths from known causes.	Female deaths from ner- vous diseases per 1000 deaths from known causes.	VARIATION ABOVE OR BELOW THE AVERAGE.		
				Birth-rate.	Male deaths from nervous dis- eases.	Female deaths from nervous diseases.
United States .	127.5	118.6	108.6	...	...	...
1 . . . . .	80.0	127.2	119.1	-47.5	+ 8.6	+10.5
2 . . . . .	110.1	121.0	114.3	-17.4	+ 2.4	+ 5.7
3 . . . . .	151.9	108.0	101.3	+24.4	-10.6	- 7.3
4 . . . . .	137.7	144.4	127.4	+10.2	+25.8*	+18.8*
5 . . . . .	89.3	131.7	126.4	-38.2	+13.1	+17.8
6 . . . . .	119.2	130.2	120.3	- 8.3	+11.6	+11.7
7 . . . . .	115.8	129.2	119.5	-11.7	+10.6	+10.9
8 . . . . .	109.2	133.2	120.0	-18.3	+14.6	+11.4
9 . . . . .	162.9	96.9	88.1	+35.4	-21.7	-21.5
10 . . . . .	124.2	133.9	122.9	- 3.3	+15.3	+14.3
11 . . . . .	161.6	100.8	84.2	+34.1	-17.8	-24.4
12 . . . . .	158.7	103.3	100.8	+31.2	-15.3	- 7.8
13 . . . . .	124.1	123.3	109.8	- 3.4	+ 4.7	+ 1.2
14 . . . . .	185.2	106.5	95.7	+57.7	-12.1	-12.9
15 . . . . .	126.4	124.4	113.4	- 1.1	+ 5.8	+ 4.8
16 . . . . .	138.4	110.8	94.8	+10.9	- 7.8	-13.8
17 . . . . .	139.2	99.2	93.3	+11.7	-19.4	-15.3
18 . . . . .	154.5	69.0	75.4	+27.0	-49.6	-33.2
19 . . . . .	115.4	102.2	80.3	-12.1	-16.4*	-28.3*
20 . . . . .	141.4	82.6	82.2	+13.9	-36.0	-26.4
21 . . . . .	115.6	124.0	135.5	-11.9	+ 5.8	+26.9
Coherences with birth-rate . . . . .					2	2
Oppositions to birth-rate . . . . .					19	19
Total groups . . . . .					21	21

CHART II.  
COMPARISON OF BIRTH-RATES AND DEATHS FROM NERVOUS DISEASES BY GRAND GROUPS, 1880.



A study of the State groups (Table IV) shows that in fifty-six groups the birth-rate is above the average for the United States and the death-rate from nervous diseases is below the average, and in thirty groups the birth-rate falls below the average and the death-rate from nervous diseases rises above that is, in eighty-six of the one hundred eight groups the phenomena oppose each other.

The same study by States and Territories (Tables V and VI) shows that in thirty-nine of the forty-seven States and Territories the birth-rate and the deaths from nervous diseases are opposed; in twenty-six States and Territories the birth-rate is above the average for the United States and the death-rate from nervous diseases is below, while in thirteen States and Territories the birth-rate is below the average and the death-rate from nervous diseases is above.

The obvious deductions from such facts are (1) that the conditions that cause a high death-rate from nervous diseases lower the birth-rate and *vice versa*, and (2) that since, in two-thirds of the thirty-nine States and Territories in which the phenomena oppose each other, the birth-rate is above the average and the death-rate from nervous diseases below the average, the variations above and below the average in the remaining one-third must be proportionally greater; in other words, the conditions of life which cause such variations must be more intense. If civilization, as Mr. Spencer believes, be the cause of the lower birth-rate, we should expect a high civilization where the birth-rate is low. These conclusions are confirmed by the statistics. The thirteen States in which the birth-rate is low and the death-rate from nervous diseases is high, are Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, New York, New Jersey, Pennsylvania, Delaware, Maryland, the District of Columbia, and Ohio. These States are acknowledged to have reached a higher state of civilization than most of those in the other group. They are more thickly settled, have a greater degree of wealth per capita, and possess more of the marks of an advanced civilization.



TABLE IV.

COMPARISON OF BIRTH-RATE AND DEATHS FROM NERVOUS DISEASES  
BY STATE GROUPS, 1880.

STATE GROUPS.	Birth-rate per 1000 wo- men between the ages of 15 and 49.	Deaths from nervous dis- eases per 1000 deaths from known causes.	VARIATION ABOVE OR BELOW THE AVERAGE.	
			Birth-rate.	Deaths from nervous dis- eases.
United States . . . . .	127.5	113.8	. . . . .	. . . . .
Alabama 1 . . . . .	106.3	179.4	-21.2	+65.6
Alabama 2 . . . . .	168.1	89.6	+40.6	-24.2
Alabama 3 . . . . .	156.0	92.8	+28.5	-21.0
Arizona . . . . .	114.4	70.1	-13.1	-43.7*
Arkansas 1 . . . . .	176.0	102.6	+48.5	-11.2
Arkansas 2 . . . . .	192.6	105.4	+65.1	- 8.4
California 1 . . . . .	115.7	110.2	-11.8	- 3.6*
California 2 . . . . .	108.2	121.7	-19.3	+ 7.9
Colorado 1 . . . . .	104.6	79.7	-22.9	-34.1*
Colorado 2 . . . . .	121.9	70.7	- 5.6	-43.1*
Connecticut 1 . . . . .	82.5	152.2	-45.0	+38.4
Connecticut 2 . . . . .	84.3	154.6	-43.2	+40.8
Dakota 1 . . . . .	176.7	74.5	+49.2	-39.3
Dakota 2 . . . . .	173.3	75.1	+45.8	-38.7
Dakota 3 . . . . .	124.9	105.8	- 2.6	- 8.0*
Delaware . . . . .	113.2	135.3	-14.3	+21.5
District of Columbia . . . . .	103.1	122.8	-24.4	+ 9.0
Florida . . . . .	145.9	121.0	+18.4	+ 7.2*
Georgia 1 . . . . .	154.4	110.2	+26.9	- 3.6
Georgia 2 . . . . .	157.8	95.3	+30.3	-18.5
Georgia 3 . . . . .	155.5	86.8	+28.0	-27.0
Idaho . . . . .	183.3	86.0	+55.8	-27.8
Illinois 1 . . . . .	123.7	137.0	- 3.8	+23.2
Illinois 2 . . . . .	131.9	104.1	+ 4.4	- 9.7
Illinois 3 . . . . .	126.4	110.5	- 1.1	- 3.3*
Indiana 1 . . . . .	117.8	115.2	- 9.7	+ 1.4
Indiana 2 . . . . .	127.7	112.5	+ 0.2	- 1.3
Indiana 3 . . . . .	121.2	113.9	- 6.3	+ 0.1
Iowa 1 . . . . .	116.3	116.0	-11.2	+ 2.2
Iowa 2 . . . . .	136.3	100.7	+ 8.8	-13.1
Iowa 3 . . . . .	143.0	93.8	+15.5	-20.0
Kansas 1 . . . . .	153.2	88.5	+25.7	-25.3
Kansas 2 . . . . .	178.6	83.6	+51.1	-30.2
Kentucky 1 . . . . .	193.7	77.3	+66.2	-36.5
Kentucky 2 . . . . .	124.1	120.3	- 3.4	+ 6.5

TABLE IV.—*Continued.*

STATE GROUPS.	Birth-rate per 1000 women between the ages of 15 and 49.	Deaths from nervous diseases per 1000 deaths from known causes.	VARIATION ABOVE OR BELOW THE AVERAGE.	
			Birth-rate.	Deaths from nervous diseases.
Kentucky 3 . . . . .	150.6	82.9	+23.1	-30.9
Kentucky 4 . . . . .	144.1	117.4	+16.6	+3.6*
Louisiana 1 . . . . .	135.1	132.8	+7.6	+19.0*
Louisiana 2 . . . . .	152.3	116.4	+24.8	+2.6*
Louisiana 3 . . . . .	177.5	108.4	+50.0	-5.4
Maine 1 . . . . .	75.7	129.6	-51.8	+15.8
Maine 2 . . . . .	93.2	104.6	-34.3	-9.2*
Maryland 1 . . . . .	121.2	122.7	-6.3	+8.9
Maryland 2 . . . . .	132.8	149.3	+5.3	+33.5*
Massachusetts 1 . . . . .	81.5	112.0	-46.0	-1.8*
Massachusetts 2 . . . . .	87.2	132.4	-40.3	+18.6
Michigan 1 . . . . .	129.6	94.3	+2.1	-19.5
Michigan 2 . . . . .	101.2	103.7	-25.4	-10.1*
Minnesota 1 . . . . .	132.7	105.0	+5.2	-8.8
Minnesota 2 . . . . .	162.3	77.5	+34.8	-36.3
Minnesota 3 . . . . .	185.4	69.3	+57.9	-44.5
Mississippi 1 . . . . .	132.5	115.9	+5.0	+2.1*
Mississippi 2 . . . . .	168.4	100.8	+40.9	-13.0
Mississippi 3 . . . . .	157.8	109.5	+30.3	-4.3
Missouri 1 . . . . .	113.7	134.7	-13.8	+20.9
Missouri 2 . . . . .	165.0	102.2	+37.5	-11.6
Missouri 3 . . . . .	149.6	114.7	+22.1	+0.9*
Missouri 4 . . . . .	135.4	96.5	+7.9	-17.3
Montana . . . . .	153.4	91.2	+25.9	-22.6
Nebraska 1 . . . . .	180.3	65.7	+52.8	-48.1
Nebraska 2 . . . . .	144.4	104.4	+16.9	-9.4
Nebraska 3 . . . . .	165.3	73.9	+37.8	-39.9
Nevada . . . . .	122.2	81.2	-5.3	-32.6*
New Hampshire 1 . . . . .	68.0	140.5	-59.5	+26.7
New Hampshire 2 . . . . .	79.2	131.3	-48.3	+17.5
New Jersey 1 . . . . .	104.3	161.2	-23.2	+47.4
New Jersey 2 . . . . .	100.5	158.1	-27.0	+44.3
New Mexico 1 . . . . .	156.8	23.2	+29.3	-90.6
New Mexico 2 . . . . .	134.9	33.0	+7.4	-80.8
New York 1 . . . . .	104.6	102.5	-22.9	-11.3*
New York 2 . . . . .	100.0	123.5	-27.5	+9.7
New York 3 . . . . .	89.4	122.9	-38.1	+9.1
New York 4 . . . . .	90.4	133.3	-37.1	+19.5
New York 5 . . . . .	80.3	132.3	-47.2	+18.5

TABLE IV.—*Concluded.*

STATE GROUPS.	Birth-rate per 1000 women between the ages of 15 and 49.	Deaths from nervous diseases per 1000 deaths from known causes.	VARIATION ABOVE OR BELOW THE AVERAGE.	
			Birth-rate.	Deaths from nervous diseases.
North Carolina 1 . . . . .	150.4	99.1	+22.9	-14.7
North Carolina 2 . . . . .	154.2	82.1	+26.7	-31.7
North Carolina 3 . . . . .	163.9	69.2	+36.4	-44.6
Ohio 1 . . . . .	108.1	128.3	-19.4	+14.5
Ohio 2 . . . . .	115.6	141.3	-11.9	+27.5
Ohio 3 . . . . .	111.5	136.0	-16.0	+22.2
Oregon 1 . . . . .	170.2	77.7	+42.7	-36.1
Oregon 2 . . . . .	138.8	107.5	+11.3	- 6.3
Pennsylvania 1 . . . . .	127.2	117.1	- 0.3	+ 3.3
Pennsylvania 2 . . . . .	108.4	137.4	-19.1	+23.6
Rhode Island . . . . .	86.0	124.0	-41.5	+10.2
South Carolina 1 . . . . .	152.7	108.9	+25.2	- 4.9
South Carolina 2 . . . . .	165.5	72.9	+38.0	-40.9
South Carolina 3 . . . . .	167.1	88.2	+39.6	-25.6
Tennessee 1 . . . . .	160.7	89.9	+33.2	-23.9
Tennessee 2 . . . . .	167.6	97.8	+40.1	-16.0
Tennessee 3 . . . . .	153.8	91.6	+26.3	-22.2
Tennessee 4 . . . . .	153.7	102.5	+26.2	-11.3
Texas 1 . . . . .	147.4	157.1	+19.9	+43.3*
Texas 2 . . . . .	192.1	97.7	+64.6	-16.1
Texas 3 . . . . .	190.2	64.7	+62.7	-49.1
Utah . . . . .	198.9	80.8	+71.4	-33.0
Vermont . . . . .	88.7	122.8	-38.8	+ 9.0
Virginia 1 . . . . .	144.9	113.6	+17.4	- 0.2
Virginia 2 . . . . .	142.8	116.4	+15.3	+ 2.6*
Virginia 3 . . . . .	154.1	103.5	+26.6	-10.3
Washington . . . . .	158.0	83.3	+30.5	-30.5
West Virginia 1 . . . . .	158.3	104.3	+30.8	- 9.5
West Virginia 2 . . . . .	158.1	106.1	+30.6	- 7.7
Wisconsin 1 . . . . .	141.1	130.6	+13.6	+16.8*
Wisconsin 2 . . . . .	139.8	84.8	+12.3	-29.0
Wisconsin 3 . . . . .	113.0	109.2	-14.5	- 4.6*
Wisconsin 4 . . . . .	160.4	81.7	+32.9	-32.1
Wyoming . . . . .	154.7	59.1	+27.2	-54.7

Coherences with birth-rate . . . . . 22

Oppositions to birth-rate . . . . . 86

Total groups . . . . . 108



A further comparison will show the relation of the birth-rate to the density of population, the value of manufactured product per capita, and the value of agricultural product both per capita and per acre of improved land. (Tables V and VI). The average density of population per square mile of area of settlement in 1880 was 31.96. In thirty-nine States and Territories the birth-rate and the density of population are opposed (Table VI). Twenty-three of these have a high birth-rate and a low rate of density; and twenty-two of these twenty-three are States and Territories in which the death-rate from nervous diseases is below the average. Sixteen of the thirty-nine States and Territories in which the birth-rate and the density oppose each other have a low birth-rate and a high rate of density, and in thirteen of these the deaths from nervous diseases are above the average; or, stating the result in another way,—all of the thirteen States and Territories in which the death-rate from nervous diseases is high have a population of more than average density.

TABLE V.  
BIRTH-RATES AND FACTORS OF ECONOMIC CONDITION, 1880.

STATES AND TERRITORIES, 1880.	Birth-rate per 1000 wo- men between the ages of 15 and 49.	Deaths from nervous dis- eases per 1000 deaths from known causes.	Density per square mile of area of settlement.	Value of agricultural pro- ducts per acre of im- proved land.	Value of agricultural pro- ducts per capita.	Value of manufactured products per capita.
United States . . . .	127.5	113.8	31.96	\$7.77	\$44.11	\$106.50
Alabama . . . . .	156.7	97.1	24.50	8.92	45.05	10.75
Arizona . . . . .	114.4	70.1	5.52	10.96	15.19	15.29
Arkansas . . . . .	190.0	104.9	15.13	12.18	54.57	8.42
California . . . . .	110.7	108.1	11.38	5.60	69.07	134.40
Colorado . . . . .	113.9	70.7	4.95	8.15	25.85	73.38
Connecticut . . . .	83.2	151.2	128.52	10.95	28.92	298.21
Dakota . . . . .	171.2	80.0	6.63	4.91	41.79	17.56
Delaware . . . . .	113.2	116.9	74.80	8.46	43.11	139.60

TABLE V.—*Continued.*

STATES AND TERRITORIES, 1880.	Birth-rate per 1000 wo- men between the ages of 15 and 49.	Deaths from nervous dis- eases per 1000 deaths from known causes.	Density per square mile of area of settlement.	Value of agricultural pro- ducts per acre of im- proved land.	Value of agricultural pro- ducts per capita.	Value of manufactured products per capita.
Dist. of Columbia	103.1	179.3	2732.70	\$ 40.73	\$ 2.90	\$ 66.90
Florida . . . . .	145.9	121.0	8.06	7.85	27.61	20.53
Georgia . . . . .	156.0	91.5	26.15	8.17	43.46	23.63
Idaho . . . . .	183.3	86.0	2.61	7.68	46.47	38.98
Illinois . . . . .	126.8	109.6	54.96	7.81	66.27	134.79
Indiana . . . . .	122.4	112.9	55.09	8.23	57.97	74.82
Iowa . . . . .	133.0	103.0	29.29	6.85	83.78	43.73
Kansas . . . . .	156.4	87.9	15.81	4.86	52.45	30.97
Kentucky . . . . .	145.2	111.9	41.26	5.95	38.82	45.89
Louisiana . . . . .	148.5	105.3	20.70	15.65	45.62	25.75
Maine . . . . .	81.1	121.6	36.26	6.30	33.82	123.02
Maryland . . . . .	122.8	129.4	94.82	8.63	30.85	114.21
Massachusetts . . . . .	82.9	128.9	221.78	11.38	13.55	353.96
Michigan . . . . .	114.7	99.8	34.66	10.99	55.69	92.07
Minnesota . . . . .	151.7	84.6	17.27	6.83	63.36	97.42
Mississippi . . . . .	165.2	103.2	24.42	12.21	56.29	6.64
Missouri . . . . .	138.8	104.3	31.55	5.73	44.23	76.27
Montana . . . . .	153.4	91.2	4.40	7.71	51.71	46.88
Nebraska . . . . .	169.0	76.9	11.80	5.76	70.09	27.91
Nevada . . . . .	122.2	81.2	5.30	8.29	45.86	35.01
New Hampshire . . . . .	71.6	137.4	39.86	5.84	38.83	213.20
New Jersey . . . . .	103.3	160.9	151.73	14.14	26.21	224.89
New Mexico . . . . .	141.6	30.0	3.71	8.00	15.87	10.75
New York . . . . .	93.9	132.6	111.91	10.05	35.03	212.62
North Carolina . . . . .	154.7	86.0	28.81	7.98	37.04	14.36
Ohio . . . . .	112.6	132.5	78.46	8.67	49.02	108.91
Oregon . . . . .	145.0	100.6	7.12	6.02	75.73	62.55
Pennsylvania . . . . .	115.1	128.8	95.18	9.64	30.23	173.91
Rhode Island . . . . .	86.0	138.1	254.87	12.30	13.27	376.68
South Carolina . . . . .	162.6	84.8	33.00	9.95	41.29	16.81
Tennessee . . . . .	158.7	95.3	36.94	7.31	40.25	24.03
Texas . . . . .	187.4	101.9	12.74	5.15	40.96	13.02
Utah . . . . .	198.9	80.8	8.80	8.02	23.18	30.04
Vermont . . . . .	83.7	122.8	36.38	6.72	66.46	94.36
Virginia . . . . .	147.3	109.4	37.70	5.37	60.23	34.23
Washington . . . . .	158.0	83.3	3.60	8.70	56.08	43.27
West Virginia . . . . .	158.2	105.2	25.10	5.11	31.23	36.97
Wisconsin . . . . .	131.4	99.5	29.66	7.96	55.45	97.50
Wyoming . . . . .	154.7	59.1	3.25	4.48	17.91	43.22

TABLE VI.

COMPARISON OF BIRTH-RATES AND FACTORS OF ECONOMIC  
CONDITION, 1880.

STATES AND TERRITORIES, 1880.	VARIATION ABOVE OR BELOW THE AVERAGE.					
	Birth-rate.	Deaths from ner- vous diseases.	Density.	Value of agricul- tural products per acre.	Value of agricul- tural products per capita.	Value of manu- factured prod- ucts per cap- ita.
Alabama . . . . .	+29.2	-16.7	-7.46	+\$1.15*	+\$0.94*	-\$95.75
Arizona . . . . .	-13.1	-43.7*	-26.44*	+3.19	-28.92*	-91.21*
Arkansas . . . . .	+62.5	-8.9	-16.83	+4.41*	+10.46*	-98.08
California . . . . .	-16.8	-5.7*	-20.58*	-2.17*	+24.96	+27.90
Colorado . . . . .	-13.6	-43.1*	-27.01*	+0.38	-18.26*	-33.12*
Connecticut . . . . .	-44.3	+37.4	+96.56	+3.18	-15.19*	+191.71
Dakota . . . . .	+43.7	-33.8	-25.33	-2.86	-2.32	-88.94
Delaware . . . . .	-14.3	+3.1	+42.84	+0.69	-1.00*	+33.10
District of Columbia . . . . .	-24.4	+65.5	+2700.74	+32.96	-41.21*	-39.60*
Florida . . . . .	+18.4	+7.2*	-23.90	+0.08*	-16.50	-85.97
Georgia . . . . .	+28.5	-22.3	-5.81	+0.40*	-0.65	-82.87
Idaho . . . . .	+55.8	-27.8	-29.35	-0.09	+2.36*	-67.52
Illinois . . . . .	-0.7	-4.2*	+23.00	+0.04	+22.16	+28.29
Indiana . . . . .	-5.1	-0.9*	+23.13	+0.46	+13.86	-31.68*
Iowa . . . . .	+5.5	-10.8	-2.67	-0.92	+39.67*	-62.77
Kansas . . . . .	+28.9	-25.9	-16.15	-2.91	+8.34*	-75.53
Kentucky . . . . .	+17.7	-1.9	+9.30*	-1.82	-5.29	-60.61
Louisiana . . . . .	+21.0	-8.5	-11.26	+7.88*	+1.51*	-80.75
Maine . . . . .	-46.4	+7.8	+4.30	-1.47*	-10.29*	+16.52
Maryland . . . . .	-4.7	+15.6	+62.86	+0.86	-13.26*	+7.71
Massachusetts . . . . .	-44.6	+15.1	+189.82	+3.61	-30.56*	+247.46
Michigan . . . . .	-12.8	-14.0*	+2.70	+3.22	+11.58	-14.43*
Minnesota . . . . .	+24.2	-29.2	-14.69	-0.94	+19.25*	-9.08
Mississippi . . . . .	+37.7	-10.6	-7.54	+4.44*	+12.18*	-99.86
Missouri . . . . .	+11.3	-9.5	-0.41	-2.04	+0.12*	-39.23
Montana . . . . .	+25.9	-22.6	-27.56	-0.06	+7.60*	-59.62
Nebraska . . . . .	+41.5	-36.9	-20.16	-2.01	+25.98*	-78.69
Nevada . . . . .	-5.3	-32.6*	-26.66*	+0.52	+1.75	-71.49*
New Hampshire . . . . .	-55.9	+23.6	+7.90	-1.93*	-5.28*	+106.70
New Jersey . . . . .	-24.2	+47.1	+119.77	+6.37	-17.90*	+118.39
New Mexico . . . . .	+14.1	-83.8	-28.25	+0.23*	-28.24	-95.75
New York . . . . .	-33.6	+18.8	+79.95	+2.28	-9.08*	+106.12
North Carolina . . . . .	+27.2	-27.8	-3.15	+0.21*	-7.07	-92.14
Ohio . . . . .	-14.9	+18.7	+46.50	+0.90	+4.91	+2.41
Oregon . . . . .	+17.5	-13.2	-24.84	-1.75	+31.62*	-43.95
Pennsylvania . . . . .	-12.4	+15.0	+63.22	+1.87	-13.88*	+67.41
Rhode Island . . . . .	-41.5	+24.3	+222.91	+4.53	-30.84*	+270.18
South Carolina . . . . .	+35.1	-29.0	+1.04*	+2.18*	-2.82	-89.69
Tennessee . . . . .	+31.2	-18.5	+4.98*	-0.46	-3.86	-82.47
Texas . . . . .	+59.9	-11.9	-19.22	-2.62	-3.15	-93.48
Utah . . . . .	+71.4	-33.0	-23.16	+0.25*	-20.93	-76.46
Vermont . . . . .	-38.8	+9.0	+4.42	-1.05*	+22.35	-12.14*
Virginia . . . . .	+19.8	-4.4	+5.74*	-2.40	-13.88	-72.27
Washington . . . . .	+30.5	-30.5	-28.36	+0.93*	+11.97*	-63.23
West Virginia . . . . .	+30.7	-8.6	-6.86	-2.66	-12.88	-69.53
Wisconsin . . . . .	+3.9	-14.3	-2.30	+0.19*	+11.34*	-9.00
Wyoming . . . . .	+27.2	-54.7	-28.71	-3.29	-26.20	-63.28
Coherences with birth-rate . . . . .	8	8	8	16	27	7
Oppositions to birth-rate . . . . .	39	39	39	31	20	40
Total States and Territories . . . . .	47	47	47	47	47	47



In Table VI. the birth-rate is compared also with the value of agricultural products per acre of improved land. The statistics for agricultural products thus given indicate the intensity of cultivation as well as the fertility of the land that is cultivated, rather than the general character of the industry of the State. In thirty-one States and Territories the value of the agricultural products per acre of improved land is opposed to the birth-rate, and in twenty-five of these the opposition coincides with that for the density of population and the birth-rate; in twenty-four it coincides with the opposition for nervous diseases and the birth-rate, and in twenty-one the opposition for all three coincides; that is, the density, the death-rate from nervous diseases, and the value of agricultural products per acre of improved land oppose the birth-rate in twenty-one States and Territories.\*

The statistics for the value of the agricultural products per capita, though they are computed on the basis of the total population, and are therefore of less scientific value than if computed on the basis of the purely agricultural population, indicate to a certain extent the general industrial character of the States and Territories. When compared with similar statistics for the value of manufactured products per capita, (Tables V. and VI.), they show plainly in which States and Territories agriculture is the chief industry, and in which manufactures prevail. The birth-rate follows the value of the agricultural products per capita in twenty-seven States and Territories (Table VI.), partially carrying out the general induction that agricultural conditions favor the birth-rate. Of these twenty-seven States and Territories, ten of the thirteen in which both the birth-rates and the agricultural values are low are States in which the value of manufactures per capita is high, and three (California, Illinois, and Ohio), which have a birth-rate below the average and

\* Note that Illinois, Indiana and Michigan correspond in density, value of agricultural product, and the birth-rate, and that Kentucky, Tennessee, and Virginia correspond in deaths from nervous diseases, value of agricultural product, and the birth-rate.

agricultural values above, have also a high value of manufactured products per capita.

In Tables V. and VI. a comparison is made between the birth-rate and the net value of manufactured products per capita. Like the statistics for the value of the agricultural products per capita, these are based upon the total population, and not upon that part of it engaged in manufacturing. They indicate, however, which are the distinctly manufacturing States; namely, California, Connecticut, Delaware, Illinois, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, and Rhode Island. These States have a value of manufactured products per capita above the average value per capita in the United States. In forty States and Territories the birth-rate and the value of the manufactured products per capita are opposed, twenty-seven having a high birth-rate and a low value of manufactured products. Twelve of these have also a low density of population, a low death-rate from nervous diseases, and a low value of agricultural products per acre of improved land. Of the remaining thirteen, which have a low birth-rate and a high value of manufactured products, nine have also a high density of population, a high death-rate from nervous diseases, and a high value of agricultural products per acre of improved land. In other words, twenty-one of the forty-seven States and Territories cohere in density, deaths from nervous diseases, agricultural values per acre of improved land, and the value of manufactured products per capita, and have a birth-rate opposed to all of these factors. If the factor showing the intensity of agricultural cultivation be omitted, the results are even more noticeable. In thirty-seven States and Territories the value of the manufactured products per capita coheres with the death-rate from nervous diseases and opposes the birth-rate, and in four States the three cohere; thus in forty-one of the forty-seven States and Territories the value of the manufactured products per capita and the deaths from nervous diseases cohere.

In thirty-five States and Territories the value of the manufactured products per capita coheres with the density per square mile of area of settlement and is opposed to the birth-rate, and in three States the three cohere, making thirty-eight States and Territories in which the value of the manufactured products per capita and the density of population cohere.

In thirty-three States and Territories the value of the manufactured products per capita coheres with both the density of population and the deaths from nervous diseases and opposes the birth-rate, while in two States the four cohere. Thus in thirty-five of the forty-seven States and Territories in the United States, the conditions of density, manufactured wealth, and deaths from nervous diseases are similar, and in thirty-three of these States and Territories they directly oppose the birth-rate.

The only conclusion to be drawn from such facts is that the conditions of advancing civilization are actually lowering the birth-rate, and that the conditions of a simpler agricultural life favor a high birth-rate.

Through the courtesy of Mr. George K. Holmes of the Department of Farms, Homes, and Mortgages of the United States Census Bureau, the figures of the eleventh census have been obtained in advance for the mortgage indebtedness and the values of agricultural products per acre of improved land. As the figures of the birth-rate per thousand women of child-bearing age are not yet available, these statistics are compared with the figures of the birth-rate per thousand of population, which were given by Dr. Billings in his article on "The Diminishing Birth-rate in the United States."\* The statistics of density of population† per square mile, the area of settlement, and the value of manufactured products‡ are already published so that, with the exception of

\* *The Forum*, June, 1893.

† "Compendium of the Eleventh Census Report," Part I.

‡ "Extra Census Bulletin," No. 67.



the death-rate from nervous diseases, approximately the same comparisons that were made for 1880 can be made for 1890. The States of North Dakota and South Dakota will be omitted in this study, as their birth-rates are not given.

TABLE VII.

BIRTH-RATES AND FACTORS OF ECONOMIC CONDITION, 1890.

STATES AND TERRITORIES, 1890.	Birth-rate per 1000 of population.	Density per square mile of area of settlement.	Density per square mile of total surface.	Value of agricultural products per acre of improved land.	Value of manufactured products per capita.	Real estate mortgage debt in force per capita.
United States . . . . .	26.68	32.16	21.31	\$6.88	\$149.63	\$96.00
Alabama . . . . .	30.39	29.38	29.36	8.60	44.43	26.00
Arizona . . . . .	24.94	2.42	0.53	10.05	15.89	39.00
Arkansas . . . . .	33.78	21.27	21.27	9.70	20.09	13.00
California . . . . .	19.41	12.51	7.75	7.12	176.64	200.00
Colorado . . . . .	25.09	6.02	3.98	7.20	103.06	206.00
Connecticut . . . . .	21.26	154.03	154.03	12.99	332.78	107.00
Delaware . . . . .	24.89	85.97	85.97	8.50	222.99	96.00
Dist. of Columbia . . . . .	23.07	3544.50	3839.87	37.69	170.72	226.00
Florida . . . . .	28.30	9.53	7.22	10.55	46.56	40.00
Georgia . . . . .	30.31	31.15	31.15	8.70	37.51	15.00
Idaho . . . . .	27.14	2.16	1.00	6.35	16.54	38.00
Illinois . . . . .	27.63	68.33	68.33	7.20	237.47	100.00
Indiana . . . . .	25.29	61.05	61.05	6.27	103.46	51.00
Iowa . . . . .	26.15	34.46	34.46	6.27	65.41	104.00
Kansas . . . . .	28.16	17.63	17.47	4.26	77.23	170.00
Kentucky . . . . .	29.45	46.47	46.47	5.58	68.18	25.00
Louisiana . . . . .	29.57	24.63	24.63	14.40	51.68	25.00
Maine . . . . .	17.99	25.69	22.11	7.24	144.75	49.00
Maryland . . . . .	25.87	105.72	105.72	7.75	164.85	62.00
Massachusetts . . . . .	21.51	278.48	278.48	16.94	396.69	144.00
Michigan . . . . .	24.80	36.46	36.46	8.48	132.72	72.00
Minnesota . . . . .	29.94	23.14	16.44	6.40	147.51	152.00
Mississippi . . . . .	30.10	27.83	27.83	10.71	14.51	15.00
Missouri . . . . .	28.72	38.98	38.98	5.55	120.89	80.00
Montana . . . . .	22.81	2.82	0.91	6.85	41.67	66.00
Nebraska . . . . .	29.22	16.79	13.78	4.38	87.86	126.00
Nevada . . . . .	16.35	3.83	0.42	3.74	24.15	48.00
New Hampshire . . . . .	18.37	42.65	41.80	7.97	227.79	50.00
New Jersey . . . . .	25.16	193.82	193.82	14.51	244.43	161.00
New Mexico . . . . .	34.08	3.37	1.25	6.78	9.87	43.00
New York . . . . .	23.28	128.76	125.95	9.86	285.37	268.00

TABLE VII.—*Continued.*

STATES AND TERRITORIES, 1890.	Birth-rate per 1000 of population.	Density per square mile of area of settlement.	Density per square mile of total surface.	Value of agricultural pro- ducts per acre of im- proved land.	Value of manufactured products per capita.	Real estate mortgage debt in force per capita.
North Carolina . .	29.91	33.30	33.30	\$ 6.40	\$ 24.96	\$ 13.00
Ohio . . . . .	24.08	90.10	90.10	7.27	174.74	71.00
Oregon . . . . .	22.49	6.79	3.32	5.41	132.05	73.00
Pennsylvania . .	25.69	116.88	116.88	9.18	253.24	117.00
Rhode Island . .	22.38	318.44	318.44	15.37	412.44	106.00
South Carolina . .	31.07	38.16	38.16	9.77	27.74	12.00
Tennessee . . . .	30.60	42.34	42.34	5.90	40.94	23.00
Texas . . . . .	31.27	14.82	8.52	5.38	31.51	42.00
Utah . . . . .	31.20	7.71	2.53	8.92	42.86	39.00
Vermont . . . . .	18.51	36.39	36.39	7.67	115.34	84.00
Virginia . . . . .	27.12	41.27	41.27	4.63	53.36	17.00
Washington . . .	23.54	9.46	5.22	7.51	119.55	126.00
West Virginia . .	30.41	30.95	30.95	4.49	50.74	26.00
Wisconsin . . . .	27.01	32.98	30.98	7.25	147.34	72.00
Wyoming . . . .	21.78	2.66	0.62	4.70	39.00	82.00

A comparison of the birth-rate and the density of population per square mile of area of settlement for 1890 (Tables VII. and VIII.) shows seventeen States and Territories in which the phenomena cohere, and twenty-nine in which they oppose each other; whereas in 1880 they were opposed in thirty-nine of the forty-seven States and Territories. This increase of coherences may be partly accounted for by the fact that the statistics of the birth-rate are computed on the basis of the total population, instead of on the basis of the women between the ages of fifteen and forty-nine, as in 1880. In four States and Territories (Montana, Oregon, Washington, and Wyoming) in which the phenomena cohere, the birth-rate is below the average for the United States, whereas in 1880, when the birth-rate was given per thousand women between fifteen and forty-nine years of age, it was above the

TABLE VIII.  
COMPARISON OF BIRTH-RATES AND FACTORS OF ECONOMIC  
CONDITION, 1890.

STATES AND TERRITORIES, 1890.	VARIATION ABOVE OR BELOW THE AVERAGE.					
	Birth-rate per 1000 of popu- lation.	Density per sq. mile of settlement.	Density per sq. mile of total surface.	Value of agricul- tural products per acre of im- proved land.	Value of manu- factured prod- ucts, per cap- ita.	Mortgage debt per capita.
Alabama . . . . .	+3.71	-2.78	+8.05*	+\$1.72*	-\$105.20	-\$70.00
Arizona . . . . .	-1.74	-29.74*	-20.78*	+3.17	-133.74*	-57.00*
Arkansas . . . . .	+7.10	-10.89	-0.04	+2.82*	-129.54	-83.00
California . . . . .	-7.27	-19.65*	-13.56*	+0.20	+27.01	+104.00
Colorado . . . . .	-1.59	-26.14*	-17.33*	+0.32	-46.57*	+110.00
Connecticut . . . . .	-5.42	+121.87	+132.72	+6.11	+183.15	+11.00
Delaware . . . . .	-1.79	+53.81	+64.66	+1.62	+73.36	0.00
District of Columbia . . . . .	-3.61	+3512.34	+3818.56	+30.81	+21.09	+130.00
Florida . . . . .	+1.62	-22.63	-14.09	+3.67*	-103.07	-56.00
Georgia . . . . .	+3.63	-1.01	+9.84*	+1.82*	-112.12	-81.00
Idaho . . . . .	+0.46	-30.00	-20.31	-0.53	-133.09	-58.00
Illinois . . . . .	+0.95	+36.17*	+47.02*	+0.32*	+87.84*	+4.00*
Indiana . . . . .	-1.39	+28.89	+39.74	-0.61*	+46.17	-45.00*
Iowa . . . . .	-0.53	+2.30	+13.15	-0.61*	-84.22*	+8.00
Kansas . . . . .	+1.48	-14.53	-3.84	-2.62	-72.40	+74.00*
Kentucky . . . . .	+2.77	+14.31*	+25.16*	-1.30	-81.45	-71.00
Louisiana . . . . .	+2.89	-7.53	+3.32*	+7.52*	-97.95	-71.00
Maine . . . . .	-8.89	-6.47*	+0.80	+0.36	-4.88*	-47.00*
Maryland . . . . .	-0.81	+73.56	+84.41	+0.87	+15.22	-34.00*
Massachusetts . . . . .	-5.71	+246.32	+257.17	+10.06	+247.06	+48.00
Michigan . . . . .	-1.88	+4.30	+15.15	+1.60	-16.91*	-24.00*
Minnesota . . . . .	+3.26	-9.02	-4.87	-0.48	-2.12	+56.00*
Mississippi . . . . .	+3.42	-4.33	+6.52*	+3.83*	-135.12	-81.00
Missouri . . . . .	+2.04	+6.82*	+17.67*	-1.33	-28.74	-16.00
Montana . . . . .	-3.87	-29.34*	-20.40*	-0.03*	-107.96*	-30.00*
Nebraska . . . . .	+2.54	-15.37	-7.53	-2.50	-61.77	+30.00*
Nevada . . . . .	-10.33	-28.33*	-20.89*	-3.14*	-125.48*	-48.00*
New Hampshire . . . . .	-8.31	+10.49	+20.49	+1.09	+78.16	-46.00*
New Jersey . . . . .	-1.52	+161.66	+172.51	+7.63	+94.80	+65.00
New Mexico . . . . .	+7.40	-28.79	-20.06	-0.10	-139.76	-53.00
New York . . . . .	-3.40	+96.60	+104.64	+2.98	+135.74	+172.00
North Carolina . . . . .	+3.23	+1.16*	+11.99*	-0.48	-124.67	-83.00
Ohio . . . . .	-2.60	+57.94	+68.79	+0.39	+25.11	-25.00*
Oregon . . . . .	-4.19	-25.37*	-17.99*	-1.47*	-17.58*	-23.00*
Pennsylvania . . . . .	-0.99	+84.72	+95.57	+2.30	+103.61	+21.00
Rhode Island . . . . .	-4.30	+286.28	+297.13	+8.49	+262.81	+10.00
South Carolina . . . . .	+4.39	+6.00*	+16.85*	+2.89*	-121.89	-84.00
Tennessee . . . . .	+3.92	+10.18*	+21.03*	-0.98	-108.69	-73.00
Texas . . . . .	+4.59	-17.34	-12.79	-1.50	-118.12	-54.00
Utah . . . . .	+4.52	-24.45	-18.78	+2.04*	-106.77	-57.00
Vermont . . . . .	-8.17	+4.23	+15.08	+0.79	-34.29*	-12.00*
Virginia . . . . .	+0.44	+9.11*	+19.96*	-2.25	-96.27	-79.00
Washington . . . . .	-3.14	-22.70*	-16.09*	+0.63	-30.08*	+30.00
West Virginia . . . . .	+3.73	-1.21	+9.64*	-2.39	-98.89	-70.00
Wisconsin . . . . .	+0.33	+0.82*	+9.67*	+0.37*	-2.29	-24.00
Wyoming . . . . .	-4.90	-29.50*	-20.69*	-2.18*	-110.63*	-14.00*
Coherences with birth-rate . . . . .		17	21	16	12	16
Oppositions to birth-rate . . . . .		29	25	30	34	29
Total States and Territories . . . . .		46	46	46	46	45

In one State (Delaware) the mortgage debt per capita is the same as for the United States.



average; in Illinois the change is the other way. The excess of men in the population of Montana, Oregon, Washington, and Wyoming tends to make the birth-rate per thousand of population proportionally much lower than that per thousand of women between the ages of fifteen and forty-nine.\* It may therefore be assumed that, if the birth-rates were calculated on the same basis as were those of 1880, these States and Territories would have higher rates than the average for the United States, and would show opposition instead of coherence in the phenomena of birth-rate and density. In three of the States in which the phenomena cohere, (Missouri, North Carolina, and Wisconsin), the density has increased so that it is above the average instead of below, as in 1880. The figures of the birth-rate are also slightly above the average. It is impossible to judge whether or not they would fall below the average, if they were computed on the basis of the number of women between the ages of fifteen and forty-nine. One State only (Maine) remains to be accounted for. During the last ten years Maine has added eight thousand square miles to its area of settlement,† and yet its total population has increased only 12,150,‡ or about 1.5 persons have been added for each additional square mile of area of settlement. This fact indicates that the population in other parts of the State must have decreased, as all land with less than two inhabitants per square mile is counted as unsettled area. These facts make plain the cause of the great decrease in density per square mile of area of settlement in Maine, which brings it below the average for the United States. The birth-rate remains below the average, as in 1880. With the exception of Montana, Oregon, Washington, and Wyoming, there are only thirteen States and Territories in which the phenomena of density and birth-rate cohere, and in eight of these the

\* In Montana there are 43,605 more men than women; in Oregon 49,913; in Washington 85,734; in Wyoming 17,981.

† "Compendium of the Eleventh Census Report," I. p. xlvii.

‡ "Compendium of the Eleventh Census Report," p. 4, Table I. b.

phenomena cohered in 1880. The remaining five have already been discussed. The conclusion is that in at least twenty-five of the States and Territories the density and the birth-rate per thousand women between the ages of fifteen and forty-nine are opposed.

The comparison of farm values per acre of improved land with the birth-rates for 1890 shows apparently an exact coincidence with the results of the similar comparison for 1880. In sixteen States and Territories the phenomena cohere; they oppose each other in thirty (Tables VIII and VI). In fourteen of the forty-six States and Territories, however, the phenomena have changed their relative positions, but in such a way as to make the total result the same: in seven States and Territories (New Mexico, North Carolina, California, Maine, New Hampshire, Vermont, and Washington), the phenomena cohered in 1880 and are opposed in 1890; in seven States and Territories (Illinois, Indiana, Iowa, Montana, Nevada, Oregon, and Wyoming), they were opposed in 1880, and cohere in 1890. In six of these States and Territories (Illinois, Iowa, Montana, Oregon, Washington, and Wyoming), the variation results from the change in the birth-rate which has already been explained in comparing the statistics of birth-rate and density for 1880 and 1890. The variation in the remaining eight States and Territories is caused by the change in farm values: in four States and Territories (Indiana, Nevada, New Mexico, and North Carolina), the farm values per acre of improved land were above the average for the United States in 1880, and are below it in 1890; and in four States (California, Maine, New Hampshire, and Vermont), the opposite change has taken place. If the four States (Montana, Oregon, Washington, and Wyoming) whose birth-rates, if computed on the same basis as those of 1880, would probably have had a different relation to the average rate for the United States, be considered to vary in relation to farm values as they did in 1880, it will be seen that thirty-six of the forty-six States and Territories show the

same relations of the phenomena of birth-rate and farm values in 1890 that they did in 1880. This coincidence is but another proof that there is some dependence of the one upon the other.

A comparison of the birth-rate with the values of manufactured products per capita in 1890 (Table VIII.) shows twelve States and Territories in which the phenomena cohere and thirty-four in which they oppose each other. If the four States (Montana, Oregon, Washington, and Wyoming), whose birth-rate is estimated as above the average for the United States when computed on the basis of the number of women between the ages of fifteen and forty-nine, be so counted, the phenomena of the birth-rate and the values of manufactured products per capita will oppose each other in thirty-eight of the forty-six States and Territories. The coherences and the oppositions for 1890 are almost identical with those of 1880; in five States only (Illinois, Indiana, Iowa, Maine, and the District of Columbia) is there a difference, if Montana, Oregon, Washington, and Wyoming be omitted. In Illinois and Iowa, the relative position of the birth-rate has changed; in Indiana and the District of Columbia, the value of manufactures per capita has in 1890 risen above the average for the United States; in Maine it has fallen below the average; therefore, in forty-one of the forty-six States and Territories the relative conditions of manufactures and the birth-rate are the same in 1890 as they were in 1880.

If the average rates for the United States in 1880 and in 1890 be compared, the results obtained from the preceding detailed comparisons are confirmed. The birth-rate has diminished from 30.95 per thousand of population to 26.68.\* The value of agricultural products per acre of improved land has also decreased: in 1880 it was \$7.77; in 1890, \$6.88. The density per square mile of area of settlement has increased from 31.96 to 32.16, and the density per square mile

\* Billings, "The Diminishing Birth-rate in the United States."—*The Forum*, June, 1893.



of total land surface, from 17.29 to 21.31. And, finally, the value of manufactured products has risen from \$106.50 per capita to \$149.63.

In his study of the conditions of mortgage indebtedness in the United States, Mr. Holmes has shown that the mortgage debt, in general, increases with expanding prosperity. We should therefore expect it to show coherence with the density, the value of manufactured products, and to some extent with the values of agricultural products per acre of improved land, and opposition to the birth-rate. A comparison of the statistics proves the truth of this assumption. The phenomena of the birth-rate and the mortgage debt cohere in sixteen States and Territories (Table VIII), and are opposed in twenty-nine. Of the sixteen in which the phenomena cohere, three of the four mentioned above (Montana, Oregon, and Wyoming) must be put among those in which the phenomena oppose each other, thus making thirty-six in this class. The mortgage indebtedness is above the average for the United States in fifteen States (California, Colorado, Connecticut, the District of Columbia, Iowa, Massachusetts, New Jersey, New York, Pennsylvania, Rhode Island, Washington, Illinois, Kansas, Minnesota, and Nebraska). Nine of these have a value of manufactured products per capita above the average for the United States. The others are principally western farming States (Colorado, Iowa, Washington, Kansas, Minnesota, Nebraska).

In order that the relative rise or fall of the various factors chosen for comparison may be more clearly seen, the percentages of variation for 1880 have been calculated for the five great divisions given in the census reports:—the North Atlantic, the South Atlantic, the North Central, the South Central, and the Western divisions. The results are shown in Table IX. and Chart III. In every division the death-rate from nervous diseases coheres with the value of the manufactured products per capita, and both oppose the birth-rate. The North Atlantic division, which has by far the greatest amount

of manufacturing, has much the highest death-rate from nervous diseases and the lowest birth-rate. This division has also the greatest density and the highest intensity of agricultural cultivation, as represented by the value of agricultural products per acre of improved land. That it is not mainly an agricultural region is shown by the low rate of agricultural values per capita.

TABLE IX.

BIRTH-RATES AND FACTORS OF ECONOMIC CONDITION BY GRAND DIVISIONS, 1880.

GRAND DIVISIONS.	Birth-rate per 1000 women between the ages of 15 and 49.	Death-rate from nervous diseases per 1000 deaths from known causes.	Density per square mile of area of settlement.	Value of agricultural products per acre of improved land.	Value of agricultural products per capita.	Value of manufactured products per capita.
North Atlantic . . . . .	97.31	133.54	98.30	\$9.50	\$30.38	\$219.63
South Atlantic . . . . .	147.95	99.81	30.66	7.41	35.29	38.53
North Central . . . . .	128.67	107.15	33.71	7.38	58.19	89.18
South Central . . . . .	163.08	102.32	22.13	8.00	44.67	20.78
Western . . . . .	128.48	85.20	6.90	6.09	53.64	88.86
The United States . . .	127.50	113.79	31.96	7.77	44.11	106.50

VARIATIONS ABOVE OR BELOW THE AVERAGE.

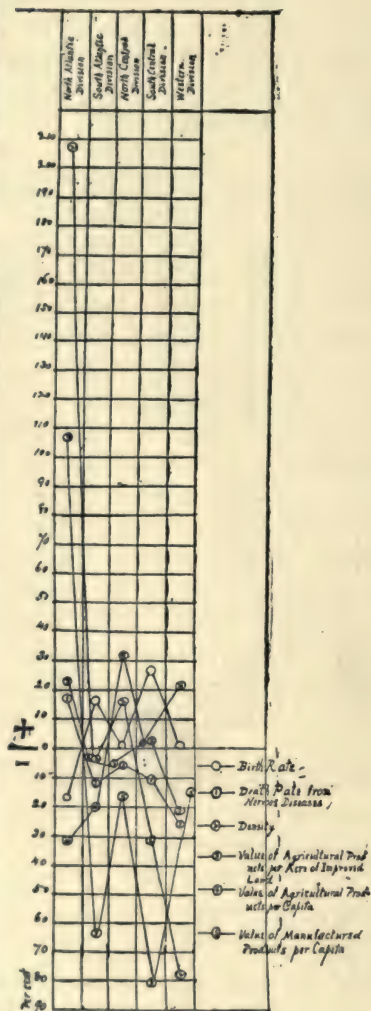
North Atlantic . . . . .	-30.19	+19.75	+66.34	+1.73	-13.73	+113.12
South Atlantic . . . . .	+20.45	-13.98	-1.30	-0.36	-8.82	-67.92
North Central . . . . .	+1.17	-6.64	+1.75	-0.39	+14.08	-17.32
South Central . . . . .	+35.58	-11.47	-9.83	+0.23	+0.56	-85.72
Western . . . . .	+0.98	-28.59	-25.06	-1.68	+9.53	-17.64

PERCENTAGES OF VARIATION ABOVE OR BELOW THE AVERAGE.

North Atlantic . . . . .	-23.68	+17.36	+207.57	+22.27	-31.13	+106.22
South Atlantic . . . . .	+16.00	-12.29	-4.07	-4.63	-30.00	-63.83
North Central . . . . .	+0.92	-5.63	+5.48	-5.02	+31.92	-16.26
South Central . . . . .	+27.91	-10.08	-30.76	+2.96	+1.27	-80.49
Western . . . . .	+0.77	-25.13	-78.41	-21.62	+21.61	-16.56

With one exception only (the North Central division), the density per square mile of area of settlement coheres with the death-rate from nervous diseases and the values of the manufactured products, and opposes the birth-rate; and with one exception (the South Central division, which

CHART III.  
COMPARISON OF BIRTH-RATES AND FACTORS OF ECONOMIC CONDITIONS BY GRAND DIVISIONS, 1880.





represents a large population of indolent colored people), the values of agricultural products per acre of improved land cohere with the death-rates from nervous diseases and the values of manufactured products and oppose the birth-rate. On the other hand, the agricultural values per capita, with the exception of the South Atlantic division, cohere with the birth-rates and oppose the death-rates from nervous diseases and the values of manufactured products per capita.

In order still further to verify the conclusion that the birth-rate and the death-rate from nervous diseases are usually opposed, comparisons have been made from other available statistics. A study of the State of Massachusetts by counties shows that in 1885, in ten counties, the birth-rate per thousand women between the ages of fourteen and forty-nine opposed the death-rate from nervous diseases (Table X.). This is practically the same result as that obtained from the United States census figures.

A comparison of the birth-rate with the density of population per square mile gives a result very different from that of the United States census statistics. In eight of the fourteen counties, the birth-rate and the density cohere, in only six do they oppose each other; and in nine of the fourteen counties the density and the deaths from nervous diseases are opposed. Another unexpected result is found in Table XI. The birth-rate in the cities of Massachusetts since 1870 has been higher than in the rest of the State. These facts, which seem to be contrary to the results obtained for the United States as a whole, probably may be accounted for (1) by the peculiar race conditions in Massachusetts; and (2) because in the cities there is a large proportion of population between the ages of fourteen and forty-nine.

The rural population in Massachusetts consists of the old New England stock which is slowly dying out; the cities have a large Irish and French Canadian population, which is very prolific and, as statistics prove, less subject to nervous diseases than the native population. These peculiar

conditions in Massachusetts are anomalous and deserve to be the subject of a separate investigation. The larger proportion of population between the ages of fourteen and forty-nine, which probably is the cause of the higher marriage-rate in the cities (Table XI.), must be an important factor in increasing the birth-rate.

TABLE X.  
BIRTH-RATES IN MASSACHUSETTS WITH COMPARISONS, 1885.

COUNTIES, 1885.	Birth-rate per 1000 women between 14 and 49.	Death-rate from nervous diseases per 1000 deaths from known causes.	Density per square mile.	VARIATIONS ABOVE OR BELOW THE AVERAGE.		
				Birth-rate.	Death-rate from nervous diseases.	Density.
Massachusetts . . . . .	83.25	122.88	233.57	—19.00	+43.49	—162.00*
Barnstable . . . . .	64.25	166.37	71.57	+8.60	+5.33*	—156.50
Berkshire . . . . .	91.85	128.21	77.07	+4.92	+25.03*	+36.44*
Bristol . . . . .	88.17	147.91	270.01	—30.83	+98.82	—188.93*
Dukes and Nantucket . . . . .	52.42	221.70	44.64	—7.47	+14.86	+268.77
Essex . . . . .	75.78	137.74	502.34	—7.51	—3.48*	—179.92*
Franklin . . . . .	75.74	119.40	53.65	+14.50	—1.78	—49.69
Hampden . . . . .	97.75	121.10	183.88	—16.21	+41.75	—152.39*
Hampshire . . . . .	67.04	164.63	81.19	—3.42	+0.96	+182.88
Middlesex . . . . .	79.83	123.84	416.45	—6.62	+9.92	—42.65*
Norfolk . . . . .	76.63	132.80	190.92	—16.16	+11.89	—116.55*
Plymouth . . . . .	67.09	134.77	117.02	+6.49	—33.58	+8639.53*
Suffolk . . . . .	89.74	89.30	8873.10	+3.76	+17.76*	—80.66
Worcester . . . . .	87.01	140.64	152.91			

Coherences with birth-rate . . . . .	4	8
Oppositions to birth-rate . . . . .	10	6
Total counties . . . . .	14	14

TABLE XI.  
BIRTH-RATES AND MARRIAGE-RATES IN MASSACHUSETTS, 1890.

CENSUS YEARS.	BIRTH-RATES PER 1000 OF POPULATION.		MARRIAGE RATES.	
	28 Cities.	Rest of State.	28 Cities.	Rest of State.
1870 . . . . .	28.9	23.5	11.8	8.4
1875 . . . . .	29.4	23.0	9.2	7.1
1880 . . . . .	27.6	20.9	9.5	7.6
1885 . . . . .	27.8	21.3	9.6	7.5
1890 . . . . .	28.4	21.7	10.2	7.8
Average for 5 years	28.4	22.0	10.0	7.7

Taken from the Registration Report of Massachusetts for 1890 (pp. 372-373).

The following conclusions may therefore be drawn from the preceding study:

1. Whether or not it be true that the means spoken of by Dr. Billings, M. Dumont, M. Levasseur, and Dr. Edson has become an important factor in the diminishing birth-rate of civilized countries, it is evident that it is not the only factor, and that, quite apart from voluntary prevention, there is a distinct problem to be investigated. This is shown by the fact that the white and the colored birth-rate vary together.

2. Mr. Spencer's generalization that the birth-rate diminishes as the rate of individual evolution increases is confirmed by a comparison of the birth-rates with the death-rates from nervous diseases, and also with the density of population, the values of agricultural and manufactured products, and the mortgage indebtedness.

3. The Malthusian theory in general, that population tends to increase faster than the means of subsistence, is not true of the United States at the present time. In the regions where wealth increases most rapidly, the population increases most slowly.

It is hoped that this study may be continued when the full statistics for 1890 are published, unless the work is done by the census office, and that ultimately a more complete investigation, on a different basis, may be made by taking statistics from the registration reports of several States and making the comparisons by counties and townships.

J. L. BROWNELL.

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## RENT AND PROFIT.

Not a little of the confusion in recent economic literature would seem to be due to the attempt to force the new wine of more modern concepts into the old bottles of Ricardian dicta. This is nowhere more evident than in the varied and conflicting duties which of late we have imposed upon the term "rent."

To the Ricardian school of economics the price of every product contained two elements, "cost" and "rent." By the former, they understood the cost at the margin of production; by the latter, the surplus obtained by those enjoying special advantages in the production of any commodity—the differential surplus—as it is sometimes called. They also held, that while the first enters into the determination of price, the second is a surplus that is determined by price.

To these two concepts recent literature has added a third, namely, a surplus which does enter into the determination of price; or, as it is usually stated, "there is a marginal surplus."

Some foreshadowing of this new concept may be found as early as 1829. And yet not a little confusion may still be found in the writings of its strongest advocates, due to the fact that they continue to include both the "price-determined" and the "price-determining surplus," under the one term "rent."

The old contention, that cost determines exchange value, seems to involve the assumption that there is no surplus at the margin of production; or, as it is sometimes stated, "there is always some no-rent land." This assumption, however, was not accepted without protest, even by the adherents of the Ricardian school.

J. S. Mill files exceptions to it, all through chapters 4, 5 and 6, Book III, and in the latter sums up as follows: "Rent

is not an element in the cost of production of the commodity which yields it, except in the case (rather conceivable than actually existing) in which it results from and represents a scarcity value. But when land capable of yielding rent in agriculture is applied to some other purpose, the rent which it would have yielded is an element in the cost of production of the commodity which it is employed to produce." It is manifest that we have here a recognition of the "marginal" or "price-determining surplus." \*

Professor S. N. Patten, in his "Premises of Political Economy," gives us possibly the fullest statement of this phase of the question, and holds that the contention of a no-rent land fails on five different counts: "First, to obtain uncultivated land for tillage, farmers must compete with those who can afford to pay rent for uncultivated land by using it for pasture, for wood and many similar purposes. For this reason the poorest land in cultivation must pay rent, since if the farmers will not pay rent, the landlords would let it to herders and others who could afford to give much for the use of uncultivated land."

It will hardly be necessary to follow Professor Patten through his other four counts; the fundamental thought running through these, as through all the protests against the contention of a no-rent land, is in simple, as follows: If certain lands or farms, however much they vary among themselves in fertility and distance from market, are yet all of them distinctly superior to all other lands for the production of a certain brand of wine, and the supply of such land is relatively limited, two forms of surplus may arise. The variations in fertility and distance from market, within the the group, will give rise to a "price-determined surplus"—the old Ricardian rent. So long as all this land is specially efficient in the growing of this wine, and the supply of this

\* The German literature on this point is quite interesting, especially Nebenius, 1829, and Herman, 1832. For a fuller treatment, see the writer's "History of the General Doctrine of Rent in German Economics."

land remains relatively limited, the marginal land, in common with all other land, will be able to secure an additional surplus, due to scarcity. This last surplus is enjoyed by the marginal producer in common with every other member of the group, and enters into the determination of the price of the commodity produced by the group.

Let us now return to the above quoted passage from Mill. In this it is clear that Mill approached this question from the standpoint of the Ricardian theory—value is determined by cost. He therefore regarded scarcity value, and hence the surplus due to scarcity as of rare occurrence. Professor Patten, on the other hand, urges that Ricardo himself had made serious breaches in this theory of value. "He was compelled to make so many exceptions to it that its utility in explaining the relation of value to cost, was much reduced.

. . . . In fact, when money, the products of land and of international trade are excluded from the operation of the general law of value, in a modern nation there does not remain much of the general law to follow. Scarcity has become almost as important and universal an element in value as has the quantity of labor." \*

But whether we agree with Mill or with Patten, it still remains true that both forms of surplus may and do arise. Again, since the "surplus due to scarcity" enters into the determination of price, it stands in direct antithesis to the older form of surplus, which does not determine, but is determined by price. Hence, confusion will result, if, without any further attempt to distinguish between them, we continue to speak of both forms of surplus as "rent."

These two forms of surplus might be called, as they sometimes are, the "differential" and "marginal surplus;" or the first might be called the "individual" and the second the "group surplus;" or we might call the first a "price-determined" and the second a "price-determining surplus."

\* "The Theory of Dynamic Economics," page 30.



In other words the first might be variously characterized as a

DIFFERENTIAL,	}	SURPLUS.
INDIVIDUAL,		
or		
PRICE-DETERMINED		

while in the second we have a

MARGINAL,	}	SURPLUS.
GROUP		
or		
PRICE-DETERMINING		

The question now arises: Which of these terms brings out in the clearest manner the essential economic difference between these two forms of surplus? We can only answer, that since the first inception of the doctrine of rent, the "price-determined" element of the concept has been recognized as the fundamental condition of "rent." Hence, though the last pair of terms are cumbersome, we will have recourse to them throughout the present discussion, because they keep before the mind the fundamental antithesis between these two forms of surplus; one "price-determined" and the other "price-determining." As the argument proceeds, it will be seen that the use of other terms, like "marginal" and "differential surplus," has resulted in some confusion, for the reason that they do not keep this fundamental distinction ever before the mind. Again some writers, while recognizing this distinction in connection with the entrepreneur's surplus, are not so clear when they come to discuss the surplus from land.

Professor Commons, in his "Distribution of Wealth," mars the usefulness of an otherwise excellent book, in this way. In his discussion of the entrepreneur's profit, he endeavors to maintain this distinction, speaking of the first form of surplus as "personal or temporary profits," and of the second as "permanent or monopoly profits." How

apt these terms are we will not here stop to inquire; they have, however, this merit; they are a conscious endeavor, to preserve the distinction between these two forms of surplus, in our terminology. But it can, we think, be shown, that he has not been so careful in his discussion of the surplus from land. To that end let us inquire as to his use of the term "rent."

First, note that this writer follows President Walker, calling the surplus from land—rent, and the surplus of the entrepreneur—profit. Again, he subdivides the latter; his "personal" or "temporary profits" being identical with our "price-determined surplus," while his "permanent" or "monopoly" profits are identical with our "price-determining surplus." With this in mind let us turn to page 229, where he writes, "A continually growing surplus falling to the owners of monopoly privileges, which becomes petrified in the form of *rent* and *permanent* or *monopoly profits*." It is, I think, fair to assume, that he here means by "rent:" that surplus from land which is the same in kind as the "permanent or monopoly profits" of the entrepreneur. In other words, he is speaking of the "price-determining surplus" from land as the "rent" of land.

On the other hand he says, page 203: "If adjoining land is better, it will pay more rent; if poorer, less rent." That he is here speaking of the "price-determined surplus,"—the old Ricardian rent—need hardly be urged. Or, he applies the term "rent," to both forms of the surplus from land, without any attempt, so far at least as the context of these passages is concerned, to distinguish between them. Nor can he plead ignorance of the existence of the two forms of surplus; on the contrary, he quotes quite freely from Professor Patten in support of the contention, that there is a surplus which enters into the determination of price. Again, in his discussion of the entrepreneur's return, he endeavors to preserve the distinction between the two forms of surplus by giving them separate names.

In one instance at least, he has endeavored to find separate names for the two forms of surplus from land. On page 221, he says: "As soon as land is cultivated at all successfully, it yields a *permanent rent*, and this, if it be the poorest land in use for the production of the commodity in question, becomes a permanent part of the expenses of production of that commodity. The *superior rents* paid out of the same commodity where it is produced on superior land, are again an additional surplus growing out of the superior advantages of such lands, and are only partly to be considered as expenses of production."

Here corresponding to his "permanent or monopoly profits," we have "permanent rent;" while for "personal or temporary profits," we have "superior rent." If he had called the last "temporary rent," it would have the merit of being coherent with his terminology of profit, no matter how faulty that may be. Instead, he preserves this terminology in one case, only to depart from it in the other. That this lack of persistency or consistency in terminology will prove confusing to the average reader, need hardly be urged.

In the *Quarterly Journal of Economics*,\* J. A. Hobson writes: "Now these limitations to the statement that rent does not form an element in price amount to the admission that the rule only applies where the margin of employment stands at no-rent, and this is only the case in unqualified agricultural land. Wherever the worst land in cultivation for a special purpose draws a rent, that rent figures in prices."

Notice that we have here, nothing by which we can distinguish between the "price-determined" and price-determining surplus;" the term "rent" being used indifferently for either of them. On page 275, however, he says: "It will be open to us, if we prefer it—for it is entirely a question of convenience in the use of terms—to say that land,  
 . . . . at the margin of employment, pays no rent,

\* April, 1891, p. 275.



that is, we may take the lowest return for the use of land, and call it by some other name than rent. We would thus be able to maintain as a general proposition, that rent forms no element of price. But to do this, we would be compelled to an elaborate grading of industries, according to the prices paid for land, labor and capital, at the margin of employment in each respective industry.

"If, on the other hand, as seems more reasonable, we should prefer to measure by a single line of fixed money value applied through the whole of industry, we must call by the name rent all payments for the use of land, and all payments beyond three per cent and five shillings for the use of capital and labor. But whichever mode of reckoning we prefer will be equally applicable to all three requisites of production."

Now it may be true that "it is entirely a question of convenience in the use of terms," whether we employ separate and distinct terms for these two forms of surplus, or take "rent" as a general term applicable to both; and then distinguish between them by employing additional qualifying terms, "price-determined rent," and "price-determining rent." But it is hardly a question of mere convenience, whether or not the fundamental cleavage plane in all questions of distribution shall be recognized in our terminology. In other words, we can only confound confusion by including both forms of surplus under a common name.

And yet upon this point the very elect themselves, in the person of Professor Clark, are betrayed into confusion. In the same number of the *Quarterly Journal of Economics* (p. 313), he writes: "There is another element in the composite returns of employes that is profit in an accurate sense of the term. It results from an unbalanced condition of industrial groups. Conditions are continually appearing in which too little is produced of certain commodities to meet the normal demand for them, and in which they sell for more than enough to pay interest on pure capital and wages

on all the working energy employed in producing them. Included in this total interest will be the rent of any land that may be in use in these industries, and included in wages will be the rewards of manager's time and effort. Above all these claims, the selling price of the goods may afford a residuum of pure profit. A discovery that should make the production of aluminium cheap would afford a profit on the making of it until this industry should become so much enlarged as to put upon the market as much of this metal as, under the new conditions, would be normal. After the discovery the competition of different producers would enlarge the production of this metal till the point would be reached at which it would not be profitable to move labor and capital from other working groups to this one. At this point the return of the industry would be theoretically absorbed in wages and interest. *In a balance condition of industries superior managers will earn more than others, and superior workers of every kind will do the same; but that gain which results from the distinctively dynamic cause, the discovery or change which throws production temporarily out of balance, ceases to exist. Such a condition of universal equilibrium is never practically reached, and at many points in the industrial system—not for any length of time the same points—pure profit is always to be found. This changeeful element of gain is the one part of the actual social income not governed by the law of rent."*

We have here a recognition not only of the differential gain or surplus, but also a recognition of the "group," "marginal" or "price-determining surplus;" the surplus due to an unbalanced condition of industries or to scarcity value; "the one part of the actual social income not governed by the law of rent." Professor Clark, indeed, carries this recognition of these two forms of surplus so far as to call one "rent" and the other "pure profit;" yet elsewhere in this same article, he is betrayed into including both forms of surplus under the common term "rent;" this resulting in

such verbal contradictions as cannot fail to confuse the general reader.

On page 304 he writes: "The differential gain of labor alone applied to fertile land is the more useful type of true rent." While on page 307 he writes: "The earnings of land are a sort of mock rent. They are equal to a differential product, but are not the genuine thing." To say of one and the same thing that it is the more useful type of *true rent*, and again, that it is a sort of *mock rent*, would certainly seem to involve a contradiction.

In seeking for the cause of this at least seeming contradiction, it should be noted, that while Professor Clark refers more than once to the Ricardian law of rent, he nowhere gives statement to the essential condition that it is a "price-determined surplus." Throughout the entire discussion, he seems to regard the differential aspect of this surplus as its essential condition. To his mind, if it is a differential gain it is a rent; if a true differential gain it is a true rent.

Now this may be true, but we take it that not a little confusion would have been avoided if he had thrown the accent not upon the differential, but upon the "price-determined" aspect of this gain. It would then have appeared, that what he is pleased to call the rent of land, really includes both the "price-determined" and "price-determining surplus." This, despite the fact that he had agreed to call the former "rent" and the latter "pure profit," and had said of this latter, "it is the one part of the actual social income not governed by the law of rent." That Professor Clark does include both forms of surplus under his "rent of land," we will now endeavor to show. On page 308 he says: "In any limited section of the general field of labor, wages must conform to a standard that is set in and for that field. . . . What determines that level? What fixes general wages? The law in the case is that he gets what he is worth to society. If natural tendencies could have their way, the final man would get as a wage what he actually produces.



It is the productivity of labor that fixes its pay. . . . Such a condition of universal equilibrium is never reached."

In other words, the productivity of labor in some parts of the general field is greater than in other parts. The rate of wages, however, is set by the efficiency of labor in the least productive part of the general field. Hence in any part, as in agriculture, in which the productivity of labor is greater, there will accrue to the employer of labor, and later to the owner of land, a surplus equal to the difference between the productivity of labor in this special branch of industry, and its productivity in that branch in which it is least productive, since the rate of wages is set by the latter.

This surplus, however, is manifestly due to an unbalanced condition of industries; to a condition in which labor and capital will tend to move from other industries into agriculture; and so, according to Professor Clark, "is the one part of the actual social income not governed by the law of rent." Again, it is received by all owners of land, and is thus a "group," "marginal" or "price-determining surplus," which all receive in addition to any "price-determined surplus" that may accrue to some individuals within the group.

"It is now clear," says Professor Clark (page 310), "that in the strict sense of terms the *rent of land is not a differential product*. The surplus product of the earlier increments of labor applied to agricultural land are amounts remaining in the farmer's hands after wages are paid. . . . The pay of the farmer's men conforms directly to the rate that prevails in the general labor market, and the data for calculating the landlord's claim are therefore the product of the farm and the general rate of wages. If, however, land were the only instrument in use, the case would be different. . . . There would be no industry outside of the agricultural limit, and the product of the last increment of work applied to the soil would constitute the standard of wages. The land in this case would yield a true differential product,

since the rent of it would consist of the sum of the difference between the product of the earlier increments of labor and the product of the last one."

When Professor Clark declares that "the differential gain of labor alone applied to fertile land is the more useful type of true rent," he has in mind the "price-determined surplus," the old Ricardian rent. When, however, he says that "the earnings of land are a sort of mock rent," he is thinking of a total which includes both the "price-determined" and "price-determining" forms of surplus, and thus concludes, that "in the strict sense of terms the rent of land is not a true differential gain." It may fittingly be asked, why should the rent of land be made to include both forms of surplus; Professor Clark having declared that the latter form is "the one part of the actual social income not governed by the law of rent."

Professor Clark, as we have seen, not only recognizes the difference between these two forms of surplus, but seeks to fix this in our literature, by giving them separate names, calling one "rent," and the other "pure profit," declaring of this last that "it is the one part of the actual social income not governed by the law of rent." And yet, despite all this, he is betrayed into including both forms of surplus under rent of land. To us there seems to be but one explanation of this confusion, in the work of one whose name has become synonymous with our concept of a most clear and able thinker, and that is, that in his thinking on this question, he has thrown the accent upon the differential rather than upon the "price-determined" aspect of rent.

While it is undoubtedly true that both forms of surplus ~~are~~ <sup>may</sup> be called "rent," yet by what compulsion must both of them be called "rent?" This term has already been appropriated and clearly defined as a surplus which is determined by price. Why then should we surrender this use of it; that it may be reappropriated and re-defined as any surplus above

cost? We have, in simple, a new concept, a "price-determining surplus," a concept which is diametrically opposed to the Ricardian concept of "rent." The two concepts have nothing in common, but the fact that they are both surpluses above cost. What then have we to gain by including both under the common term "rent?" The application of this term to the "price-determined surplus" has been fixed by usage, through several generations of economic writers. It would therefore seem wiser to confine the term "rent" to this concept, and seek for some other term for the newer concept of a "price-determining surplus."

This would mean, of course, that wherever we found a "price-determined surplus," whether from land or from the ability of the entrepreneur, we should call it a "rent" of that factor. In other words, if, as President Walker has shown, "the entrepreneur secures a surplus which follows the law of rent," we should call it the "rent" of the entrepreneur. Here we meet with the difficulty, that President Walker, while showing that the entrepreneur receives a surplus which follows the law of "rent," yet calls this the "profit" of the entrepreneur. This is open to the serious objection, that, no matter how confused economists may have been in the use of the word "profit," they seldom failed to hold that it enters into the determination of price, and thus is in direct antithesis to that which is determined by price.

Ricardo, in a foot-note, page 39, of his "Political Economy," writes: "Mr. Malthus appears to think that it is a part of my doctrine that the cost and value of a thing should be the same; it is, if he means by cost 'cost of production,' including profits." Again, on page 45, he writes: "The laws which regulate the progress of rent are widely different from those which regulate the progress of profits, and seldom operate in the same direction. While Mill writes: 'Profits therefore as well as wages enter into the cost of production which determines the value of the produce.'" Again, President Walker, in his criticism of J. A. Hobson in a later



number of the *Quarterly Journal of Economics*, never fails to bring the discussion back to the fundamental concept, that "the essential fact in regard to rent is that it does not enter into cost of production."

This being the final test in regard to "rent," why not call that part of the entrepreneur's return which satisfies this condition the "rent" of the entrepreneur. In doing so we not only secure a short and convenient name, "rent," for that surplus which is determined by price, but we release another term, "profit," which we might be able to utilize in connection with our "price-determining surplus."

We would again repeat, that no matter how confused economists may have been in the use of the term "profit," they seldom failed to hold that profits entered into the determination of price. Hence the appropriation of this term "profit," to characterize the "price-determining surplus," would agree with the traditional use of this word in economic literature, at least so far as this fundamental cleavage plane is concerned.

On the other hand it must be admitted that the use suggested by President Walker is more in keeping with ordinary practice, and has now become incorporated in some measure into our literature. We would also willingly grant, that it is less important just what terms shall be adopted, than that there should be an agreement upon some terms that will avoid the confounding of the two forms of surplus.

Whether these two forms of surplus can be said to arise, in the case of the other factors in production, is too large a question to be included within the limits of this paper. But before there can be any extension of the terms "rent" and "profit" to these factors, it must first be shown that they, like land and entrepreneur, give rise to a "price-determined" and "price-determining surplus."

It is not given to any one person to say what terms shall be adopted. This can only result from the establishing of some consensus in the matter among economists generally. A single writer may show, as we have endeavored to do,

that a new concept has arisen, and that the failure to reach any agreement as to the terms employed, has resulted in growing confusion; he may then, as we have done, suggest such terms or use of terms as seem to him to avoid this confusion.

Again, too much must not be expected from these or any other equally short terms. If consciously or unconsciously, we think of these as meaning "differential" and "marginal surplus;" or "individual" and "group surplus;" or in fact anything but "price-determined" and "price-determining surplus," we are likely sooner or later to end in confusion. This is the fundamental difference between these two forms of surplus, which must ever be borne in mind.

When we write "rent," we should think "price-determined surplus;" and when on the other hand we write "profit," it is "price-determining surplus" that should be called up in our minds. If it is thought wiser to look for other terms than those here suggested, we can only urge that they should be such as will not cause us to lose sight of this, the real economic difference between these two forms of surplus.

C. W. MACFARLANE.

*Philadelphia.*

## PERSONAL NOTES.

### AMERICA.

**Bryn Mawr.**—Dr. Lindley M. Keasbey,\* of the University of Colorado, has been appointed Associate Professor in Political Science at Bryn Mawr College. Professor Keasbey has recently published

"*The Economic State*," Political Science Quarterly, December, 1893.

"*The New Sectionalism*," Forum, January, 1894.

**Columbia College.**—Professor Franklin H. Giddings† has accepted the chair of Professor of Sociology at Columbia College, and will assume charge of the department in the next academic year. Professor Giddings will lay especial stress upon the investigation of social conditions in the city of New York. A complete list of his publications has been given in previous issues of the ANNALS. It remains only to notice

"*Theory of Sociology*," Supplement to ANNALS, July, 1894 (present number).

**New York City.**—John Jay, a distinguished member of the New York bar, and a publicist of repute, died on May 5, 1894. He was born in New York on June 23, 1817, and was a grandson of John Jay who occupied so prominent a position during the early days of the United States. Mr. Jay graduated from Columbia College in 1836 and was admitted to the bar in 1839. He soon became well known for his opposition to slavery, and took part as attorney in a number of slave cases. He was prominent in the organization of the Republican party in 1855. In 1869 he was appointed Minister to Austria, which position he resigned in 1875. In 1883 President Cleveland appointed him the Republican member of the New York Civil Service Commission.

Mr. Jay was active in the early history of the American Geographical and Statistical Society and was a member and for a long time manager and corresponding secretary of the New York Historical Society. He was also a member of the American Academy of Political and Social Science. He wrote many pamphlets on slavery, the church and political subjects, some of which are:

"*The Dignity of the Abolition Cause*," 1839.

"*Caste and Slavery in the American Church*," 1843.

"*The Public School the Portal to the Civil Service*."

"*The American Church and the American Slave Trade*," 1860.

\* ANNALS, vol. iii, p. 373, November, 1892.

† ANNALS, vol. ii, p. 249, September, 1891; vol. iii, p. 235, September, 1892.



"*The Great Conspiracy and England's Neutrality*," 1861.

"*America Free or America Slave*, 1867.

"*The Church and the Rebellion*."

"*On the Passage of the Constitutional Amendment Abolishing Slavery*."

"*Rome in America*."

"*The American Foreign Service*."

"*The Memories of the Past*," 1867.

## GERMANY.

Leipzig.—Dr. Wilhelm Roscher, the Nestor of German Political Economy, died at Leipzig, June 4, 1894, in his 77th year. He was born October 21, 1817, at Hanover, and studied, in the years 1835 to 1839, at the Universities of Göttingen and Berlin. In 1838 he took the degree of doctor of philosophy at Göttingen, where in 1840 he became Privatdozent for History and Economics. In 1843 he was appointed extraordinary, and 1844 ordinary professor. In 1848 he was called to Leipzig where he has since remained, declining repeated calls to other universities, Zurich, Vienna, Munich and Berlin.

Dr. Roscher has achieved a lasting fame as the founder of the historical school of political economy and many learned associations have delighted to do him honor. The life and services of such a man can only be briefly indicated here, an adequate presentation being reserved for another issue of the ANNALS. His principal publications were:

"*De historicæ doctrinæ apud sophistas maiores vestigiis*," 1838.

"*Leben, Werk und Zeitalter des Thukydides*," Göttingen, 1842.

"*Grundriss zu Vorlesungen über die Staatswirthschaft nach geschichtlicher Methode*," Göttingen, 1843.

"*Ueber Kornhandel und Theuerungspolitik*," Stuttgart, 1847 (3d edition, 1852).

"*Kolonien, Kolonialpolitik und Auswanderung*," Leipzig and Heidelberg, 1848.

"*System der Volkswirthschaft*," Vol. I. "*Die Grundlagen der Nationalökonomik*," Stuttgart, 1854 (20th edition, 1892).

Vol. II. "*Nationalökonomie des Akerbaues und der verwandten Urproduktionszweige*," Stuttgart, 1859.

Vol. III. "*Nationalökonomie des Handels und Gewerbestreßes*," Stuttgart, 1881.

Vol. IV. "*System der Finanzwissenschaft*," Stuttgart, 1886.

"*Ansichten der Volkswirthschaft aus dem geschichtlichen Standpunkte*," Leipzig, 1861.

"*Betrachtungen über die Währungsfrage der deutschen Münzreform*," Berlin, 1872.

"*Geschichte der Nationalökonomik in Deutschland*," München, 1874.

"*Politik, Geschichtliche patenlehre der Monarchie, Aristokratie und Demokratie*," Stuttgart, 1892.

Furthermore a series of essays in periodicals, too numerous to admit of individual mention.

**Lindheim, Hesse-Darmstadt.**—The Chevalier Léopold de Sacher-Masoch died at Lindheim on May 6, 1894. He was born in 1836 at Léopol in Lemberg. He received his early education at home, then studied at the *lycées* at Léopol and Prague, and finished with a university course, receiving the degree of Ph. D. He became Professor of History at the University of Gratz, a position which he resigned in 1859 to enter the Austrian army as a volunteer. The success which attended the publication of his first novel, "*Don Juan de Kolomea*," caused him to decide to devote all his attention to literature. He contributed to a number of French and German reviews, and in 1881 founded, at Leipzig, an international journal called *Auf der Höhe*, which was inimical to the German imperial government. On account of illness he was forced to suspend his journal and to retire to his country residence at Lindheim. On account of his literary work he received from the French government membership in the Legion of Honor. He was an authoritative historian. One of his most important books was his "*Prussians of To-day*" (*Die Ideale unserer Zeit*), a bitterly sarcastic work published in 1875. Among his other works are

"*Der Aufstand in Ghent unter K. Karl V.*," 1857.

"*Ungarns Untergang und Maria von Oesterreich*," 1861.

"*Kaunitz*," 1865.

"*Le dernier Roi des Magyares*," 1867.

"*The Legacy of Cain*," 1870.

"*La Propriété*," 2 vols.

## BOOK DEPARTMENT.

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### REVIEWS.

*Civilization During the Middle Ages, Especially in Relation to Modern Civilization.* By GEORGE BURTON ADAMS. Pp. 463. Price \$2.50. New York: Charles Scribner's Sons, 1894.

"The object of this book is to show how the foundations of our civilization were laid in the past and how its chief elements were introduced, and to depict its progressive development until it had assumed its most characteristic modern features." (Preface.) With this purpose in view, Professor Adams discusses "What the Middle Ages Started With," "The Addition of Christianity," and "What the Germans Added." He then follows the course of events in each of the principal countries, and intermingles essays on "The Formation of the Papacy," "The Feudal System," etc. The limits he chooses are the years 476 and 1520.

This book shows the results of wide reading and broad learning. The style is generally clear and interesting. The chapter on feudalism is the best popular account in English. The chapter on the growth of commerce is valuable. Many subjects are treated in a suggestive manner, and the facts are so grouped as to show their significance. The volume is a valuable addition to our stock of books in English and will be useful.

But it is very disappointing. From the title we expect more than we find. In a book on "Civilization During the Middle Ages" we naturally look for some account of mediæval literature, religion, science, art. No one of these is adequately treated. Professor Adams has not included the discussion of these subjects in his plan. The titles—art, architecture, religion, heresies, etc., are not found in the index.

In the second place, we expect books of this class to be useful as guides. In this respect it is a failure, because there is no bibliography, and but few references to other sources of information are furnished. An occasional suggestion emphasizes the need of more frequent citations. Certainly a reference ought to be given for the "few brief sentences" mentioned on p. 16, for the "manuals or summaries of the Roman law," p. 146, and for similar subjects elsewhere.

The workmanship is careless. In places the style is negligent, e. g., sentences on pp. 186, 187, 236, 289, 311, 353, etc. There are



loose general statements. We wonder just what the author had in mind when he wrote (p. 188): "But with the accession of William, in 1066, the state took on its final form, as had the German and the French states in the preceding century." The statements about the knowledge of Latin (pp. 8 and 24), and the contradictory utterances relative to Luther and freedom of thought (pp. 430, 431, 432, 440, 441), seem to indicate some mental confusion. Possibly the carelessness is most evident in the index. Titles are admitted or excluded in an entirely arbitrary manner. On p. 322 the duties of the three officers, baillis, sénéchals and enquêteurs are discussed; only the first is in the index. The Synod at Bourges (p. 409) is admitted; the Diet at Mainz (p. 410) is omitted. Three men are mentioned (p. 428) as having influenced Luther; Gerson is in the index, Staupitz and St. Bernard are not. A large number of similar cases will be noted by anyone who uses the book.

There are occasional mistakes. Professor Adams is evidently not familiar with Mr. H. C. Lea's discussion of the Donation of Constantine and of the Pseudo-Isidorian Decretals. He falls into error (pp. 233-34) about the dates of both and the purpose of the latter. Simony did not include lay investitures as stated at p. 243. The two subjects, although intimately connected, were treated separately. It is depressing to find that Professor Adams gravely repeats (p. 269) the stereotyped statement that the crusades ended in 1270.

DANA C. MUNRO.

*University of Pennsylvania.*

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*Public Assistance of the Poor in France.* By EMILY GREENE BALCH.

Pp. 179. Publications of the American Economic Association, Vol. VIII, Nos. 4 and 5. Price, \$1.00. Baltimore: 1893.

Miss Balch has done a good service for students of social institutions in the preparation of this short but comprehensive account of the public charities of France. The merit of the book lies not merely in its clearness, accuracy and brevity, but especially in the perfect fairness preserved in a field where party spirit and sectarian prejudices have made impartiality difficult. In this respect the present essay is in marked contrast with the report upon French Charities, by Hubert Valleroux, just published in the "Proceedings of the International Congress of Charities, Correction and Philanthropy."

As the author states, the present constitution of public assistance in France can hardly be well understood without some study of its development. The first seventy-five pages of the essay present a brief history of French charity from the ecclesiastical decrees in the time

of Clovis to the reorganization of social institutions by the first Napoleon. In the many interesting glimpses of social history perhaps the most striking features are the remarkable development of the mediæval wayside hospitals, the great institutions and centralized system of Louis XIV., the sweeping innovations of the revolution and the unsuccessful efforts of one monarch after another to repress the army of beggars.

The legal claim of a pauper to relief, which has led to so many abuses in England and in some American cities, is not recognized in France except in the case of the dangerously insane and certain classes of children. "The tendency to take a somewhat socialistic view of public charity, and to seek to make it almost a government monopoly by putting hindrances in the way of private initiative . . . is generally more than counteracted by the traditional horror of anything approaching the English system, by the dread of all State interference felt by the 'economists,' and by the jealousy of the Catholics who would like to keep charity as far as possible in the hands of the church." P. 79. Yet charity in France seems to be more subject to public control and the control is more centralized than in England or America. The official *bureaux de bienfaisance*, assuming control of charitable bequests, and even of church collections, present a contrast to the prevalent American system of granting public appropriations to private charities.

The care of destitute children is especially noteworthy for its thorough organization under the placing-out system. The description of provident schemes, and of the government monopoly of pawn-shops may prove suggestive to American reformers.

In undertaking to pass a final judgment upon the French system of public assistance as a whole, the author recognizes the difficulty of tracing social results and their causes and of making international comparisons. In many parts of France the provision of relief is inadequate, but, whatever may be the cause, the French poor are more thrifty than the English. In both England and France the proportion of paupers to the population seems to be decreasing.

DAVID I. GREEN.

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*The Resources and Development of Mexico.* By HUBERT HOWE BANCROFT. Pp. xii, 325. Price \$4.50. San Francisco: The Bancroft Company, 1893.

This book cannot be classed as historical or economic, but it contains much information which is useful to both the historian and the economist. While a more scientific investigation from a sociological point

of view would have greatly enhanced the value of the work to students, yet it presents many points in a semi-popular style that are too frequently overlooked by those especially interested in modern economic and political history. While the book has some color of commercial investment, it is after all a fair representation of Mexico and its people, and while it lacks the keen analysis and pungent expression of David A. Wells' "Study of Mexico," it covers a much wider field and gives a more comprehensive idea of the entire country.

The recital of the recent intellectual achievements and the evolution of the races is too brief and too superficial to satisfy one who desires a thoroughly scholarly exposition of past and present means of education and culture. Emphasis of this would have added greatly to the value of the book, especially to those who are familiar with the history of the long period of intellectual stagnation preceding the present progressive era. The libraries of Mexico are worthy of far greater attention than Mr. Bancroft has given them in his too brief notice of these excellent features of interest. But the chapters on the material progress of the country, including agriculture, mining, stock-raising, manufactures and transportation are well written and of special interest to those who are seeking information respecting the resources and the industrial condition of Mexico, and they add something of economic and historical value inasmuch as they show the struggle to overcome the rank mediævalism in trade and industry which has been prevalent since its introduction under the old Spanish régime. The laws of mining and colonization and the regulations of trade and taxation that now obtain, recall many phases of the old Spanish paternal spirit from which the country has recently been breaking rapidly away. In 1846 Mexico established a liberal colonization law, but it had very little effect until recently when it has been put to excellent use in the encouragement of immigration. There are now eighteen well-organized colonies which have taken advantage of the liberal inducements offered by the law to secure cheap lands and homes within the national territory. A good deal of the rapid development of the country is due to wise legislation in the removal of burdens and the encouragement of certain lines of industry. Thus the removal of the heavy taxes from the mines and the rewards offered to work them have developed mining at a rapid rate. The improvement in the quality and efficiency of labor and the introduction of modern machinery are among the more remarkable features of the new era, although there is great room for improvement in these respects, especially in the rural districts. Evidently the author has written with a desire to find out what is good in Mexico and to present it in a very favorable light. The book is important in giving the



best general view yet published of the conditions of a country which seems destined to bear important economic and political relations to the United States.

F. W. BLACKMAR.

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*Les Destinées de l'Arbitrage International depuis la sentence rendue par le tribunal de Genève.* By Professor E. ROUARD DE CARD. Pp. 264. Price 5 fr. Paris: 1892.

This book is an encouraging one to those who favor an extension of the principles of peace. In all times philosophers have dreamed of perpetual peace and have formed specific plans for bringing it about; but this book seems to show that it is reasonable to hope that the times of peace are at least to be much extended.

The author gives a full account of the steps that have been taken since the decision of the Alabama question in 1872 to bring about the settlement of international disputes by arbitration. He first gives a brief account of the different peace societies that have been formed; then follows this by an account of certain societies whose purpose is the settlement of international disputes by arbitration. Most encouraging is the report regarding the work of the international leagues. The Institute of International Law, for example, that from the reputation of its members and from the excellent work that it has done in all fields of international law has had so much influence, is shown to have formulated regulations for international arbitration that have been accepted by different states. This Institute has also suggested forms of treaties that shall provide for the settlement by arbitration of all disputes that may arise in the future.

A brief statement is made of the work of the Universal Congresses of Peace that were held in Paris in 1878 and 1889 at the International Expositions there, and afterward in London, 1890, and Rome, 1891. The book was published too early to contain an account of the work done at the Congresses in Berne, 1892, and Chicago, 1893. Of more immediate practical utility, perhaps, has been the work of the Inter-parliamentary Conferences whose sessions were held at the same places and times with those of the Universal Congresses of Peace from 1889 to 1892. These conferences are composed of members of different legislative bodies in Europe, and the decisions taken by them are in such form that they can be presented to the different legislatures for immediate action.

Of less importance, perhaps, than the action of these last two associations, but yet of some influence in the direction of perpetual peace, is the Congress of the Three Americas held in Washington in 1889-90, of which, so far as it concerns this subject, a full account is given.

The latter part of the work is taken up with an account of the motions that have been made in the parliaments of different countries with the object of recommending the employment of international arbitration and of inserting arbitration clauses in treaties, and especially with a complete statement of the international differences that, as a matter of fact, have been submitted to arbitrators for their settlement. It is interesting to note the rapidly increasing number of questions as important as the delimitation of frontiers, or even as the right to the possession of territory, that have been settled in this way; while very many less important ones, relative to the rights of navigation, of fishing, of the seizure of ships or the confiscation of cargoes, which often arouse bitter feeling between friendly nations, have been settled without difficulty.

The ultimate purpose, of course, of the peace societies is to endeavor to found an international court that may settle all disputes between nations that enter into the agreement establishing the court. As yet there is little to report along this line beyond the resolutions of the societies themselves; but actions that tend strongly that way are found in the treaties providing for permanent arbitration, between the countries agreeing to them, of all questions of dispute that may arise. Such treaties exist between several States of Central America, between States of Central America and those of South America, and between States of the three Americas. Treaties of commerce and of navigation, providing for settlement by arbitration of disputes on this subject, exist between France and the Republic of Equador, between Switzerland and Salvador, but as yet none of the greater nations have entered into such treaties between one another. The most important step that has been taken, perhaps, toward the formation of a general tribunal of arbitration is found in the action of the United States, which has asked foreign nations to enter into a permanent arrangement with it for the submission to arbitration of all questions of dispute that may arise between them.

An appendix to the book contains copies of the texts of the several resolutions, petitions, and conventions that exist between different nations, providing for arbitration, or for any peaceful settlement of disputes. While it is not to be expected that we are to see the settlement of all difficulties without war for a long time yet to come, the rapidly growing importance of arbitration as a means of settling international disputes does seem to show that wars are to become much less frequent, and we may reasonably hope that within a comparatively short time only questions of the most vital importance to the interests of nations, such as those that involve a nation's existence, must be submitted to the arbitrament of war. Perhaps no greater service to

the cause of peace can be rendered than by the publication from time to time of books such as this one, which shows accurately and completely what has been already accomplished in that direction.

JEREMIAH W. JENKS.

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*An Essay on Judicial Power and Unconstitutional Legislation.* By BRINTON COXE. Pp. xvi, 415. Price \$3.00. Philadelphia: Kay & Brother, 1893.

This volume does not quite agree in its contents with the title given it. Mr. Coxe died, leaving his work unfinished, but this introductory historical part, fortunately complete in itself, had already received his final revision, and is now published under the title of the projected completer undertaking. Mr. Coxe had proposed to show "that the Constitution of the United States contains express texts providing for judicial competency to decide questioned legislation to be constitutional or unconstitutional, and to hold it valid or void accordingly." The author's contention that judicial authority to determine the constitutionality of legislation is provided for "in *express* terms," instead of being "based upon implication and inference," may or may not be sound; but the question need not be discussed here, since it is one which he did not reach in the volume before us. While the essay shows on almost every page abundant evidence of much thought and extensive investigation, one is yet bound to point out that judicious rewriting and rearrangement might have reduced the essay proper to one-fourth its present length, through the relegation to foot-notes and appendices of a large amount of illustrative and remote material, with the result of thereby obtaining a far more logical and consistent presentation of the subject. A large portion of the German, Roman, Canon and even English law referred to, and dwelt upon at considerable length, seems far fetched; certainly many of the cases cited bear little resemblance to unconstitutional legislation in the American sense of the expression. Often such legislation was unconstitutional in a sense similar to the modern English use of the term, but not the American. The latter part of the volume is more satisfactory. Considerable use is made of the Rhode Island case of *Trevett vs. Weeden*, the first American case, according to Judge Cooley, in which a law "was declared unconstitutional and void." If, however, Mr. Coxe's repeated assertion is true, that Rhode Island was at that time living under an unwritten constitution—an assertion to which exception may be taken—then the law in question was unconstitutional, if unconstitutional at all, in the English sense only. On an early page Mr.



Coxe lays great stress on the Dred Scott case as deciding certain congressional legislation unconstitutional. To be sure, a majority of the court did say that the Missouri Compromise was repugnant to the Constitution and void, but this was pure *obiter dictum*, as was clearly shown at the time by the present Mr. Justice Gray and Ex-Judge John Lowell.

The foregoing are some of the unfavorable estimates which the reviewer feels compelled to make. The book is, nevertheless, suggestive and instructive, but needs in many places to be read with caution.

CHARLES F. A. CURRIER.

*The Union Pacific Railway.* A Study in Railway Politics, History and Economics. By JOHN P. DAVIS, A. M. Pp. 247. Price \$2.00. Chicago: S. C. Griggs & Co., 1894.

*National Consolidation of the Railways of the United States.* By GEORGE H. LEWIS, M. A. Pp. 326. Price \$1.50. New York: Dodd, Mead & Co., 1893.

The history of the Union and Central Pacific Railroads began sixty years ago, and presents one of the most complicated and instructive problems of American industrial history. Mr. Davis has treated this problem fully and well, and has succeeded in showing how this industrial undertaking has influenced the political and legal development of the United States. The book is withal a most opportune one. The maturity of the companies' first mortgage bonds and the United States Government's subsidy bonds, during the four years from 1895 to 1899, makes the relationship of the government to the Pacific roads a very live question. By what reorganization or refunding scheme the future prosperity of the roads may be secured, and the United States guaranteed against the loss of the \$125,000,000 which the roads will owe her by the year 1899 is a matter to which Congress and the companies involved are giving their earnest attention. The problem was further complicated when the Union Pacific was forced into the hands of receivers, on October 13, 1893. Mr. Davis' book appeared just after this event, late enough, however, for the insertion of a note concerning the receivership.

The eight chapters of the book discuss the "Genesis of the Pacific Railway;" the work of "Asa Whitney" during the decade from 1840 to 1850; the "Sectionalism and Localism" which prevented the construction of the road before the War of the Rebellion; "The Charter" of 1862 and 1864; the ceremonies that took place when the roads were "Done;" a full account of the organization and operations of the

"Credit Mobilier;" the amendments made in previous laws by the "Thurman Act;" and lastly the problems of the "Present and Future."

The best chapters are those treating of the "Credit Mobilier" and of the "Present and Future." The discussion of the Credit Mobilier Company is very clear, concise and complete. The account is admirably dispassionate. The plain story of the "Credit Mobilier" is the best criticism that can be made of it, and of the subsequent methods of railroad construction; for, as Mr. Davis says, p. 196, "The Credit Mobilier Scheme, though peculiar, was neither new nor uncommon; instead of standing alone as an example of the perfidy of particular men, it was only the type of the railway construction company of the period from 1860 to 1880.

The conclusion to which Mr. Davis comes as the result of his study is of especial interest. The three courses of future action, which the United States can choose from, are the assumption of the property by the United States through foreclosure of her mortgage and the payment of the prior claims of first mortgage bond-holders, or the exaction of the payment by the companies of a large enough percentage of their net earnings into the sinking fund to amortize their indebtedness, capital and interest, or the refunding of the debt due the government and the provision for periodical payments sufficient to liquidate the debt within some such period as fifty or one hundred years. Mr. Davis favors the last method. His plan calls for "the ascertainment of the worth of the debt at the time of settlement, on some just basis, and the provision for its payment in annual or semi-annual installments (usually in bonds) either equal or in an ascending or descending ratio, all secured by a lien or mortgage upon the present subsidized lines, and upon as much more property as the companies can offer for security."

Mr. Lewis, in his "National Consolidation of Railways," has presented an original plan for the solution of the intricate railway problem. The plan provides for "the formation of a great national railway corporation owning and controlling all the railways of the country, and governed by an organization representing the State and national governments and the stockholders [private persons] owning the road." "The Consolidated Railway Company of the United States" is to be governed by a large board of commissioners. The President of the United States is to appoint the president of the board and six commissioners, each State is to have one commissioner and the owners of the railroads as many as the several States. The real work of the commission is to be carried on by an executive committee of five persons, of whom the president of the company shall be chairman. All

railroads doing interstate business are to be forced to join the consolidated company. They are to receive of the stock of the company a sum equal to the market value of their own assets. They are to be obliged to change their separate existence for membership in the consolidated by being taxed ten per cent of their gross receipts. The stock of the consolidated company is to bear three per cent interest, the payment of which is to be guaranteed by the United States. Mr. Lewis believes that the consolidation of the railways under one management is sure to come. He thinks it would be extremely dangerous for this management to be under the control of one or more private individuals. He hopes his plan will secure all the benefits connected with State ownership, without entailing the burdens.

Few will be able to accept Mr. Lewis' plan as offering a solution of the railway problem. Furthermore, the specialist and even he who is only fairly familiar with transportation questions will find most of the discussions contained in the first one hundred and fifty pages of the book either trite or superficial. The remaining one hundred and seventy-five pages are devoted to an elaboration of the author's plan. The book is expanded by numerous quotations to unnecessary length. The quotations ought to have been fewer, or have been run in as foot-notes.

In spite of these serious defects, however, one must fully sympathize with this earnest and temperate discussion of the railway problem by a lawyer and a layman, who is not "inspired by any hostility to private capital invested in" railroads. In a letter received by the writer of this review Mr. Lewis modestly says: "I have never flattered myself that the plan was perfect, or beyond criticism, nor am I strenuous that the special scheme I advocate should be adopted. My desire is to help, as far as I may, to turn the public mind to a thoughtful and thorough discussion of this problem, in the hope that some effective and satisfactory solution may be discovered."

EMORY R. JOHNSON.

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*Histoire des Doctrines Économiques.* Par A. ESPINAS, Professeur à la faculté des lettres de Bordeaux. Pp. 359. Paris: Armand Colin et Cie, 1892.

Professor Espinas' book satisfies, on the whole, the requirements of a good history of economic theory. His choice of material is fairly judicious, for the purposes of a sketch, his judgment is temperate and his expositions are reasonably accurate. He shows, to be sure, some national bias, in emphasizing the importance of French writers more, perhaps, than a strictly impartial critic would do; but the bias is evidently unconscious, so that he cannot fairly be accused of prejudice.



At any rate, his work is far less open to the charge of national prejudice than is that of Professor Cohn; and, unlike Ingram, he is not blinded to the truths of the classical school by an unreasonable estimate of the importance of his own point of view. In its general plan, his work resembles that of Ingram, to whom he evidently owes much, as, indeed, he acknowledges; but it is not so well digested as its model. There are too many long quotations. The author would have added to the unity of his style and the clearness of his exposition if, instead of quoting so much, he had incorporated the ideas of the writers he discusses into his own narrative. His historical perspective is, on the whole, good, and he does justice in some instances where Ingram failed. This is true, for example, of his judgment of Locke, Cantillon and Ricardo. His view of Adam Smith's work, however, is far too narrow. Like Cohn's, it seems tinged with a continental prejudice, and is in striking contrast with that taken by the generous minds of Cossa, Wagner and Roscher. The author shows, also, a too common misapprehension of the spirit of Ricardo, by repeating the well worn exclamation that to Ricardo "wealth is everything and men are nothing."

There are some slight inaccuracies in the book, such as, for example, the statement that the doctrine of natural law is of English origin. In his criticism of economic liberalism, also, Professor Espinas falls into the mistake of the extreme members of the historical school in that for the purpose of criticism he states the doctrine of *laissez faire* in its extremest and most illogical form. With the extreme historical economists, again, he overestimates the importance of mere facts. Facts are of importance only as "they lead somewhere." "Systematized knowledge" is not science until the causal relations of the phenomena described are elucidated. In their insistence on this thought the "classical economists" are entirely right. Professor Espinas, however, overlooks this truth.

The writer's criticism of revolutionary socialism, though brief, is keen, and logically conclusive as far as it goes. He says, that the "professorial socialism" of Held, Schönberg, Wagner and others, is "le meilleur rempart de la société allemande contre le socialisme révolutionnaire."

The last chapter is a discussion of method in economics. Professor Espinas seems to identify himself with the evolutionary school, but makes the mistake, so commonly made, of confusing natural social *laws* with natural social *forces*. A rigid adherence to the distinction between these would go far towards putting an end to the tiresome and now unnecessary discussion of economic cosmopolitanism and perpetualism.

D. KINLEY.

*The Economics of a Russian Village.* By ISAAC A. HOURWICH, Ph. D. Pp. 182. Price \$1.00. Columbia College Studies in History, Economics and Public Law, Vol. II, No. 1. New York, 1893.

This monograph is one of a kind to delight the hearts of students of practical economics. From beginning to end it is a record of solid work, alike in the way of original research and of constructive synthe-

sis. We shall not be wrong if we assume that Mr. Hourwich has had unusual opportunities of prosecuting the investigations which have culminated in this book, for everywhere there are signs of a familiarity with his subject that convince one that he must not only have studied on the spot, but have done so with ample facilities for getting at the bottom of the many questions of practical life which are here treated.

It would be impossible, without claiming much more space than can be allowed to this notice, to enter into a discussion of the important facts which Mr. Hourwich brings into prominence, and we must be content with a brief statement of the lines which his work follows.

Beginning with a brief account of what he calls "Peasantism," by which he means the agrarian ferment, which began owing to the manner in which the emancipation of the serfs was carried out, he gives us a lucid and valuable sketch of the development of land ownership in Russia, explaining in passing the testamentary arrangements which were in vogue under the old order of things, and the inauguration of private property in land and serfage. These latter were formally recognized in Russia as institutions of private law by a ukase of Peter III., in 1762. In dealing with the emancipation movement, which culminated in the great reform of 1861, he brings out the fact, which is not always borne in mind, that the freeing of the serfs was in part, at any rate, the result of fear at the growing unrest of the peasants, and did not altogether proceed from motives of humanity and enlightenment. "We must free the peasants from above before they learn to free themselves from below," said Alexander II. to his assembly of nobles in 1858. Happily he had the strength of will to carry out the measure whose necessity he had long foreseen. How far economic considerations bear upon the Emperor of those days? Mr. HOURWICH tells that such economic conditions were ripe for the change.

After the Crimean war it became obvious to the government that Russia, with her old fashioned methods of transportation, could play no important part in the European concert." Now it was perfectly evident that an extensive system of railways could not possibly be supported by the resources of agriculture alone, in a country in which the vast majority of the people were serfs, either of the State or of the landowner, and had to bear out of their scanty income the expenses of a

large military State, and of an aristocracy. Industry and commerce were necessary for the maintenance of the State. The emancipation of the peasants was the scheme to attract domestic and foreign capital to industrial pursuits in Russia. By placing money in the hands of the landlords it was sought to promote the progress of agriculture, and the growth of industries intimately connected therewith. By setting at liberty twenty million serfs, who were the subjects of the landlords, wage-workers were created for industrial enterprises. The economic significance of the reform of February 19, (March 3), 1861, lies in the fact, that, on the one hand, it completed the evolution of private property in land, and that, on the other hand, it effected at a single blow the expropriation of the peasantry on a large scale."

Considering the effects of the emancipation of the peasants, Mr. Hourwich mentions facts which demonstrate forcibly that they have been, in many respects, the reverse of those which were predicted. It is perhaps not to be wondered at that there are found even to-day—nearly a quarter of a century later—Russians of eminence and even of intelligence who are unconvinced as to the wisdom of the great liberation. The present writer had an interesting conversation with a nobleman in Russia only two years ago, wherein the emancipatory edict was deplored as a cause of untold harm both to peasantry and nobility. It may not be amiss to recall his argument.

"The peasants," he said, "were not ready for independence. They should have preparatory training. The right thing was to have educated the children of the peasants then living, and to have freed them as soon as that had been done. Instead of that the Czar emancipated a race of people who were unfit to be made independent, who could not stand alone, but needed keeping in restraint. Good results will follow, but they have not come yet. The peasants are ignorant—not naturally stupid, but merely untaught—and they do not know how to look after their own interests. They have no foresight, they are improvident, they have no means of learning enlightened methods of agriculture, and, worst of all, they are idle. Give them *vodka* (brandy) and they are satisfied. Then, too, their taxes are high—often oppressive. It is true that with emancipation they received a certain amount of land, but the taxes they have to pay—taxes which formerly fell upon the noble—frequently exceed a fair rent. Moreover, the land which falls to the peasants of a village is often inadequate to their support, and all are kept in poverty. Formerly, when a serf met with misfortune—as by the loss of a cow or a horse—he went to the noble and was soon out of difficulty. Now he has no one to go to in distress. He has to deal with the tax-gatherer, who knows nothing of benevolence.



While before the emancipation the peasant was serf of a noble, now he is the serf of the police. That is the only difference."

"But," he added with an air of satisfaction, "we have no urban proletariat in Russia. The emancipation has saved us from that." Yet only partially, however, as Mr. Hourwich here shows. It is interesting to note, by the way, that serfdom existed as late as the year 1892, though the last remnant was then abolished by an edict wherein the Kalmyks, a semi-nomadic tribe of no fewer than 150,000 men in South-east Russia, near the Caspian Sea, ceased to be the serfs of the chiefs (the *zaisangs* and *noyons*) as hitherto.

In dealing with the practical aspect of the communal land system, the author wisely confines his attention to typical districts. His consideration of this branch of his subject is marked by great thoroughness and the information he gives travels over ground which, so far as we are aware, has not been touched by other writers on Russian economies. Speaking of the industry and capacity of the peasantry, he mentions the fact that the Russian cultivator produces far less corn per acre than the agriculturist of any other country. The following table is very significant :

	YIELD PER ACRE			
	RYE		OATS	
	Bushels	Per Cent	Bushels	Per Cent
Russia (an average district) . . .	8.9	100	10.7	100
United States . . . . .	11.9	134	26.6	249
Ontario, Canada . . . . .	15.5	174	30.7	287
Great Britain . . . . .	16.1	181	40.3	377
France . . . . .	14.7	165	26.1	244
Germany . . . . .	14.5	163	30.1	287
Austria . . . . .	13.8	155	17.6	164
Hungary . . . . .			17.4	163

Among the reasons for the lack of intensive cultivation are the faulty allotment of the communal lands and the chronic bankruptcy of a large part of the communes and of the peasantry. The author goes as far as to state that it is the established rule in Russia that the burden of taxation is in inverse ratio to the means of the taxpayer. He writes:

"The former serf is taxed more absolutely (every male and every

worker) and relatively (every acre of land) than is the former State peasant. The difference is really the tribute paid to the landlord class as a due for the emancipation of their serfs. Indeed the greater part of the contribution of the former serf is composed either of his redemption tax or of the payment due to his master (*taille*) . . . . On the other hand, the least amount in taxes is paid by those among the former serfs who have already redeemed their lots or who have received the so-called donated lots, *i. e.*, the least is levied from those who are free from the obligation to their former master."

Verily unto him that hath is given, and from him that hath not is taken away even that he hath! The result of all this is that there is a gradual tendency for the independent—or the nominally independent—farmer to become an agricultural laborer. As the author puts it, "Land tenure is degenerating into wage labor." And no wonder, when the laws and institutions are so framed as to grind down the weak and protect the strong. A policy of greater short-sightedness could not be conceived. Another result, however, is the migration from the land to the towns of those who no longer entertain the hope or the wish to be tillers of the soil. In other words, the creation of an urban proletariat is beginning.

We can only mention the chapters on the dissolution of the patriarchal family, the modern agricultural classes, and the re-division of the common land. Summarizing the results of his inquiries, Mr. Hourwich says: "Family co-operation, village community, nobility, and natural economy—such was the economic constitution of Russia in the past. The Russia of the days to come will have for its basis a peasant *bourgeoisie*, a rural proletariat, and capitalistic agriculture."

Though the work is somewhat technical in character, the author's elucidations are admirable. Certainly he allows himself at times to nod, as when he tells us that "at the dawn of the evolution of mankind the individual had not yet differentiated from the social aggregate," a long-winded involution for a very simple idea. Again, when he claims the right to speak of people destitute of husbandry as "husbandless" because Shakespeare did so, one feels bound to point out that in economic and all scientific writings the most scrupulous care should be used in terminology, and that novelty is only justified by sheer necessity. But these will appear minor matters in view of the solid value of this work. It should be added that a very useful feature of the book is a careful and exhaustive series of statistics, which of itself proves the enormous amount of labor which the preparation of the monograph must have involved. Unfortunately the area to which the statistics refer is very small when compared with the vastness of

the entire Russian Empire, and this fact minimizes their value and prevents them from having a general application. Again, most of the figures admittedly date from some years ago, though this is no wonder, seeing that Russia is one great European country which has not become awake to the importance of the science of statistics.

WILLIAM HARBUTT DAWSON.

*Grundbegriffe und Grundlagen der Volkswirtschaft.* Von Dr. JULIUS LEHR. Price 9 M. Leipzig: Hirschfeld, 1893.

This book, written by Dr. Lehr and edited by Kuno Frankenstein, forms the introduction to the first volume of a large work upon political science. The whole work is to embrace the entire department of political science, and will be completed in thirty volumes. Its plan embraces far more than Schönberg's manual, and in a certain sense also, more than Conrad's Dictionary. Each individual volume is intended to form a complete whole by itself, and may be bought separately.

In the first division, the entire science of political economy, theoretical and practical, and the history of political economy and of socialism are treated. The second part contains the treatment of the science of finance, the third the theory of the state and the science of administration, the fourth that of statistics. The work by Dr. Lehr, in which the series is begun, is not intended to exhaust the entire subject of "theoretical national economy;" but rather to present the present social and legal organization as the basis of the production, distribution and use of goods. Then such fundamental concepts as value, property, wealth, and cost, and an economy are discussed. In two later volumes will follow the theory of production and consumption and the distribution of property. The theories of value and price are treated by the author in a most exhaustive manner. The whole work is thorough and ingenious; the presentation of the individual theories is very complete, and in accordance with the latest literature. In connection with every volume, there is a comprehensive bibliography, a review of the entire literature of the subject under discussion. Unfortunately the author lessens the value of his presentation by using the mathematical method extensively. On this account, it will be a poor "introduction to the study;" a good deal of mathematical knowledge will be necessary to understand the many formulæ. Though such a mathematical treatment may properly be employed in a monograph or a special investigation, it at least seems out of place in a work designed to present the principles of economics to a wide



and untechnical public. This defect will seriously injure the success of this otherwise meritorious work.

KARL DIEHL.

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*Principles of Political Economy.* By J. SHIELD NICHOLSON. Vol. I, Pp. 452. Price \$3.00. London: Macmillan & Co. 1893.

This is the first instalment of a work apparently destined to be completed in two volumes. Vol. I, contains an introduction on definitions and methods in Political Economy, Book I on Production with twelve chapters on the usual topics, Book II on Distribution with fifteen chapters, the last being on Economic History and Economic Utopias, a vigorous denunciation of the latter, and finally an excellent index.

I must warn the reader that I cannot judge this book with perfect appreciation. I do not hail from Manchester, nor does it seem to me that the star leads thither that guides to the birthplace of the new prophet. Professor Nicholson appears to think differently. As I close this large volume after a careful and consecutive reading I am conscious that my instincts, literary, pedagogic and economic, predispose me to judge it unfavorably. Still there are certain qualities which it is easy to appreciate. The writer is conspicuously industrious, careful and sincere. He is usually fair in his statements of historical facts, if not in their interpretation. He is also unfailingly courteous, if we except an allusion to "the younger generation of economists," toward whom courtesy is not traditional.

The author's endeavor has been "to build on the broad foundations of Adam Smith and Mill without trenching unduly on the domain of ethics, jurisprudence or politics." He confesses, however, that he owes "far more to Adam Smith than to Mill." He takes exception to Mill both on account of his "want of historical knowledge" and because he was continually influenced by ethical considerations. These sentences suggest the principal characteristics of the book. The writer accepts substantially the views of Adam Smith. Of course it is conceded that his statements regarding stock companies, and possibly a few others, have been disproved by experience, but these concessions are few and do not touch fundamentals. Mill's views are oftener rejected, especially his theory of population and of the nature of the laws of distribution, while his more questionable wage-fund theory is accepted with qualifications. His ethical and philanthropic temper are repeatedly noted as a source of error.

In these days, however, interest centres in the doctrine of *laissez faire*. On this point our author leaves no doubt as to his position. "It may, perhaps, be thought that . . . practically the greatest happiness

of the greatest number will be admitted by everyone as the economic ideal. But a ready example shows that this is not so. Maximum freedom is at least as attractive and may lay claim to equal authority. For my own part I should not care to regard equality of distribution, even if it could be shown to be both practicable *and also productive of maximum happiness*, as the ultimate goal of human progress.

The sadness of wisdom may be preferable to the mirth of folly." No definition of wisdom is vouchsafed, though obviously called for. It evidently does not consist in the pursuit of maximum happiness, even for society as a whole. Liberty has been often defended as a *condition* of maximum happiness, but Professor Nicholson seems to have made an original contribution to the discussion. That this liberty so lauded requires that men be "let alone" by government, *i. e.*, that State activity is necessarily restrictive and annoying, never simply co-ordinating and directive, is assumed as obvious. "The younger generation of economists think it is their principal business to invent and justify new modes of governmental interference. . . . They have a child-like faith in the omnipotence of a duly reformed Parliament, in the altruism of the common man and in the virtue of obedience. On these points, however, I have to confess myself a disciple of Adam Smith, who believed very little in senates, and less in those who profess to trade for the common good, and who, in his praises of liberty, has had the singular honor of furnishing mottoes and texts to the literature of Russian anarchists." Mill is sharply condemned for conceding too much to the opponents of *laissez faire*. In all other points the author is orthodox. The reader of Smith, Ricardo and Mill will find no new doctrines in these pages. The innovations of Jevons, Sidgwick and Marshall are considered at length, but only by way of refutation, the "general reader" being wisely "recommended to pass over" the discussion.

The second characteristic of the book is its large use of the historical method, a most valuable feature and one in marked resemblance to Adam Smith. The valuable researches of Rogers, Cunningham, Seebohm and others contribute excellent material which is extensively, and for the most part judiciously, employed. An exception may perhaps be noted in the case of the English land system, where the historical treatment becomes discursive and wholly out of proportion to that of other parts of the general subject. To this is partly due the conspicuously insular character of the work. Far more than in the case of Mill the discussion presupposes English economic conditions.

The use of historical matter of course implies induction, but it should not exclude deduction and exact analysis. The two instincts are

seldom well balanced however in a single mind, and so here. Deduction is rare, exact analysis wholly lacking. The book scarcely contains an example of an economic conception clearly analyzed and unambiguously stated. The author's general idea can usually be discerned or inferred from his expressed sympathy with other writers, but it is surrounded by a penumbra. While admitting with him that "natural species have centres but no outline," the same need not be true of our definitions of them. The author is apparently unconscious of the defect for he frequently emphasizes the necessity of thorough analysis. Nor is the fault one of style, which is lucid enough. His mind simply does not exact thorough analysis. It is hard to understand how he can cite with approval Böhm-Bawerk's masterly analysis of the conception of capital and then contentedly publish one so conspicuously inferior to it. I do not refer to the questionable meaning which he gives to the word (practically all accumulated wealth) but to the vagueness with which that meaning is stated.

One further feature of the book should be noted, namely, its attempt to separate economics from jurisprudence, politics, and notably from ethics. This principle is doubtful, for no science is intelligible which does not largely assume the results of related sciences. But whether the principle is sound or not, the application of it is open to criticism.

We are told that the economist must ask what forces *do* govern the production and distribution of wealth, not what forces *should* govern. He may inquire, but must not recommend. Probably not everyone will quite sympathize with this extreme rigor. It might be objected that these recommendations are not of the province of ethics, but are merely the practical applications of the science. The biologist, to be sure, does not recommend that the oyster should have two abductor muscles like the clam; he simply notes that he has but one. But if men controlled molluscan anatomy, biologists would doubtless express an opinion, and to prevent such an expression would be to silence our only competent advisers. Ethics furnishes us with no body of maxims for conduct. These must come from that great body of sciences which deal with the phenomena of human action. If these sciences do not furnish guidance for such action as they are competent to modify they are barren of their most valuable fruit. That economic phenomena are modifiable by conscious human effort, even the doctrinaire will hardly deny except by implication. If so economics should and will suggest changes for the moral sense to enforce, and ethics will bring no suit for trespass. Of course if it is really a matter of doubt whether maximum ultimate happiness be the goal of human progress the economist in common with other men will find recommendation difficult, but this embarrassment will probably not



be widely felt. When the quibbles connected with the word, "happiness," are thoroughly eliminated, the remaining question is scarcely capable of discussion, it becomes rather a criterion of sanity.

But it must be admitted that investigation requires a temperament almost irreconcilable with ethical ideals and enthusiasm for social reform. We should not expect the scientist to lead in reforming society or to disparage those who do. The scientist is the modern seer, an organ specialized by society for simple seeing. It can hardly be claimed however, that the author attains his laudable ideal. He has his share of social prejudices and ill-conceals them. While refusing to admit the ideal of happiness as a criterion of judgment he is not able to divest himself of its influence, still less of that of his more conspicuous ideal of liberty. This influence would have been safer had it been conscious and avowed, but instead the subtle presence of a shifting, chameleon colored ideal lends treacherous ambiguity or fallacy to his argument. His undisguised championship of *laissez faire* and contempt for economic utopias are not examples of colorless vision, nor can the man who disclaims ideals boast that he "believes very little in senates." These things imply ideals which if not eliminated should be defined and confessed.

I have so far tried to explain the author's position and to criticise his work from that position. I will now state briefly my objections to the position itself.

I. It regards economics as an objective science. It deals with the production of goods but ignores consumption, or the production of satisfactions. It talks of competition but forgets that consumption is the competitor of production in its claims on the time and interest of men. It considers the extensivity and ignores the intensivity of wealth. By thus stopping short of those facts which alone give significance to economic discussion, the phenomena of economic life become inexplicable. Poverty united with plenty, and prosperity dissociated from abundance are riddles it cannot solve. Of course it cannot avoid talking of utility and value, involving subjective factors, but it can and does fail to recognize their importance or to discern their laws. Objective economics is the alchemy of the science, a description of outward results. It is unscientific, because it ignores causes which may be examined and understood.

II. It explains distribution by production. The powerful influence of combination, of education, of law in changing the conditions of competition is necessarily admitted, but theories are not modified accordingly. It is of course admitted that wages may vary from minimum maintenance to full product according to the bargaining power of the parties involved; it is obvious that neither minimum necessary

maintenance nor bargaining power stand in any fixed relation to the productivity of labor; but the obvious conclusion of these facts, that production forces determine the amount to be divided, and distinct forces independent of production determine the proportion of the shares, this conclusion is nowhere drawn. The origin of the productivity theory of distribution is plain. Before division of labor came (so runs the argument), each man had what he produced, and of course production determined his remuneration. Now each man has *his share* of a *joint product*, obviously only an adaptation of the former principle. Precisely; but what determines his share, his contribution to the result being incommensurable? It is with the necessity for dividing a joint product that the problem of distribution appears. But when a theory is surrendered in its applications, why is it retained as a generalization? The reason is apparently that the social corollaries of the opposite theory are repugnant to an ultra-individualistic philosophy.

III. Finally, the economics in question misinterprets history in its estimate of the function of the State. I bow low in homage to Adam Smith, but I do so in the full conviction that were he born into our day he would revise the "Wealth of Nations" as his followers refuse to do. He was keen, observant, and untrammelled by orthodox traditions. The law of settlement, the statute of apprentices, the old poor law, etc., gave him material for a damning indictment of State interference. They were clumsy attempts of a half metamorphosed military organization to perform industrial functions, efforts to plow with swords not yet beaten into plowshares. This clumsiness of the State contrasted ill with the virility of an exceptionally stimulated individual enterprise, and in hailing the movement from status to contract, Adam Smith became the prophet of a century.

But the succeeding century has brought the infamies of the early factory, the servitude of labor and the stunting of a race. It has brought in succession the rivalry, the frenzy and the paralysis of competition. It has brought corporations, syndicates and trusts, and railway magnates who dictate terms to nations. The abdication of the State from its industrial functions has developed the pseudo-state, ruling by virtue of neglected prerogatives. We have seen this pseudo-state purchasing the legality of its acts, the moral obliquity of the monstrous debauchery being charged, with the perversity of prepossession, wholly to the account of the state. On the other hand we have seen government industries prosecuted with eminent success. We have seen the reform of the poor laws, and the passage of the factory acts, a monument of beneficence, against the united opposition of the praisers and the practicers of unrestricted self-interest. These

facts may be variously estimated but they must not be ignored. The reader of Professor Nicholson's book would not guess that trusts had ever existed, or that the maintenance of real freedom of contract was difficult or doubtful. I must insist that those who ignore such things or hold traditional conclusions unmodified by them are no kindred of Adam Smith. Nor is it enough grudgingly to admit the beneficence of the factory acts, and deny that the State can be useful farther. History is worthless if it does not enable us to project the orbit of progress into the future. Doubtless State intervention has its dangers and its limits, but limits shift and difficulties that once baffled, here as elsewhere, are later overcome.

Concession after concession, qualification after qualification, has sapped the vitality of the doctrine of *laissez faire*. It lacks the vigorous conviction, the conscious obviousness and the confident appeal to current experience which characterized the writings of Adam Smith. Even its calmest advocates can hardly refrain from epithets and spleen. All signs indicate a readiness for a new prophet, a new Adam Smith, who shall interpret to us the signs of our times.

H. H. POWERS.

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*Wesen und Zweck der Politik, als Theil der Sociologie und Grundlage der Staatswissenschaften.* Von GUSTAV RATZENHOFER. 3 vols. Pp. 400, 363 and 481. Price 20 m. Leipzig: Bockhaus, 1893.

The question whether history is a science has always been much less a matter of controversy than the question whether politics, while apparently only political shrewdness or skill in State affairs, can be a science. Politics has been regarded as synonymous with statecraft, and this view has been strengthened by the fact that every attempt to treat politics as a science has failed. There have been such attempts made, though they have, as Robert von Mohl declares, all "stopped with modest demands." Mohl, himself, in his "*Cyclopädie der Staatswissenschaften*," presents a brief outline of politics in the sense of "statecraft," or the "theory of the appropriate means to the attainment of the various purposes of the State." Holtzendorf, likewise, has written a book on the "*Prinzipien der Politik*," in which he essays to set forth the scientifically established laws of political action. But both Mohl and Holtzendorf forget that science affords no guide for action, that science must not be confounded with art. The function of science is to present the objective development of phenomena and the laws of this development; and a science of politics, therefore, should set forth the political actions of men as a social phenomenon having a regular development. There has been no such presentation



to the present time for the simple reason that so long as the State is regarded as the work of man's free will, and all political action as man's "free deed," there can be no science of politics.

It was only when sociology conceived the state to be the natural and necessary product of the elementary forces dominant in heterogeneous groups, when the state came to be regarded as a natural phenomenon,\* that the further question, according to what laws have the activities of these social elements developed in this natural product, could become a subject for scientific investigation. Thus a scientific treatment of politics could rest only upon the basis of sociology. Gustav Ratzenhofer is the first to attempt such a treatment, and to carry it out in a really ingenious manner. We believe we do not err in asserting that Ratzenhofer's name will from now on be associated with those of the greatest authors of the past, Machiavelli, Comte and Spencer; but with this difference, however, that what were unsuccessful attempts on their part, have been changed by him into success.

After summarizing the sociological theories in the introduction, the author devotes the first two volumes to the "*Wesen der Politik*." He accepts as the most important fundamental fact of sociology "the presence of numerous distinct but intercommingling races, a fact which, for one thing, excludes as scientifically unusable the [theory of the] descent of mankind from a single pair." In the four large divisions of these first two volumes he discusses: I, Politics (*im allgemeinen*); II, National (or Home) Politics; III, Foreign Politics; IV, Social Policy (*Gesellschaftspolitik*). The author understands politics to be the activity of a social community in its own interest. Sociologists also use the term "group" instead of community, and the author often employs the expression "political individualities."† Every body of men having common interests forms such an "individuality" but it is often the case that a single person, such as a statesman or a ruler, is himself a "political individuality."

"Politics (*im allgemeinen*) grows out of the inter-relations of coming in contact with one another. The political person (*i. e.*, generally the group, the class, the society) exists because of common descent, like occupation;" similar conditions as to amount of wealth owned, and often because of a common language, religion, civilization, etc. The author takes the position of an outside observer in the midst of these "political persons" (groups, classes, etc.) whom he sees having

\* On this sociological theory, consult: Gumplowicz, "*Der Rassen Kampf*," Innsbruck, 1882, and "*Grundriss der Sociologie*," Wien, 1885.

† ["*Individualitäten*." It is perhaps best to translate "*politische Individualitäten*" and "*politische Persönlichkeiten*" as political individuals and political persons.—EDITOR].

contact with each other, struggling each against the other, or agreeing upon compromises, and investigates the motives of their action, the methods of their practices, the aims they seek to obtain by these practices and the conditions which render more difficult or more easy the attainment of these purposes. In this manner Ratzenhofer has succeeded in making politics a science, just as Adam Smith was able to raise political economy to such a rank because he simply observed the economic phenomena and stated their vital principles and their conformity to laws.

Of course, when an observer takes such an objective unpartisan standpoint, we cannot expect him to palliate events; and thus the presentation given by Ratzenhofer will wound many a sensitive nature. However, the blame lies not with the scientific investigator, who states the truth first of all, but rather with the regardlessness and egotistic action of the "political individuals." We can no more reproach Ratzenhofer because the "political persons" carry on a life and death struggle that they may thereby pursue purely selfish aims and employ every means that will secure to them these aims, than we can censure Adam Smith because of his economic motive, "self-interest," or Darwin because of the "struggle for existence" which he observed and investigated. Ratzenhofer is only the faithful delineator of the things which the actual facts bring within observation. Furthermore, he gives us cheerful prospects of "civilizing" politics in which nobler motives dominate, and the "barbarous" politics are held in check. Far be it from him, however, to set up, as political writers often do, moral rules for political action, with the demand that they shall be observed by contending parties, nor has he any thought of writing a code of State morals ("*Staatsmoral*"), as Mohl once desired to do. To be sure, he often gives counsel and introduces rules of action, but these concern only the fitness of particular operations. When he does thus give his counsel, it is such that it can be put into practice equally well by the representative of the nobility, the church, the laborers or the farmers, he gives only rules for action deduced from the experience of political conflicts.

This struggle of "political persons" is subject to the "law of absolute enmity." "*Diese absolute Feindseligkeit*" is the essential characteristic of all politics. However, the purpose of all politics is success—success in the struggle to satisfy the self-interests of the political individual. Such interests are numerous; the source from which they all flow is the care for existence. "Men have a strong desire to raise themselves out of the lowlands of material cares, a desire which continually increases with growing culture." Besides these material motives, there are, of course, intellectual and moral

ones, but these are only the branches on the trunk of the material motives. According to the position of the individual, or the "political persons," does the one or do the other of these motives have preponderance in determining political action; but "the mass of persons must be ruled by material motives under all circumstances." This does not prevent these same masses, and often their leaders, from holding before themselves various other motives, such as love of country, justice, etc.

We see that the author is extremely realistic in his presentation, but he justly observes that "investigations concerning the character of politics demand a ruthless striving after truth." (I, 59). Consequently, the author does not hesitate to tell men, as political beings, the full and unmixed truth, and to hold before them, as such, a mirror in which every lover of truth, must plainly recognize that which he loves.

"If we wish to know the causes of political conflict," he says, "we must entirely disregard every moral struggle." . . . "The animal part of our race contains the true causes of the struggle for existence." (I, 126). Since "nourishment and the increase of the race are dependent upon the area which is at the disposal of the single individual and of the race, it follows that the gaining of territory is the object of every political conflict;" all other objects, as for example, slaves, capital, advantages in trade, are only means "by which men make the produce of a given area and the advantages of space" serviceable (I, 127).

The most primitive political persons that carry on political conflict are primitive hordes; development leads to the tribe, state and nation; these are the more advanced political persons. The character of the political struggle remains the same; its forms alone change according to the proportion of this development. These few sentences are given merely to afford the reader an idea of the character of Ratzenhofer's work. It would take us too long to give even an approximate résumé of its rich contents.

Passing from the "Character of Politics (*im allgemeinen*)" to "National Politics," the author portrays the parties in the state, sets forth the "leading" of the same, and describes the statesman, the agitator and demagogue. He brings out characteristic instantaneous photographs of these types. Likewise the chapters in which he brings before us the stages of political operations are incomparably masterly. From these chapters, politicians of all parties; ministers of state as well as leaders of workingmen may learn much.

After national politics "foreign politics" are treated. Here the states form the contending units and thus the political persons. The



objects of foreign politics are: "The increase and maintenance of the national territory and the advantages of trade." This kind of politics does not serve party advantage, but the interest of the state, which interest the author defines as the "common will of the social structure." The author examines the conditions upon which the political power of the state abroad depends. Among these conditions are good natural boundaries. "The destruction of the State of Poland is a classical example of the disadvantage of defective natural boundaries" (II, 39). The chapters concerning the defence of the state (a subject upon which the author wrote a very good book eleven years ago), are excellent.

After devoting several chapters to the foreign political operations of the state, the author ends this division of his work with a glance at "world politics" (or the policy of colonization). Here he very justly remarks that the interests of culture, which in Europe restrain absolute hostility or wars, necessitate the extension of dominion outside of Europe (II, 243). Because of this the European States have entered upon their colonial policy and the "struggle for possessions and influence outside of Europe." In this foreign arena of conflict the "struggle between Russia and England for world dominion stands in the foreground." The author thinks that this conflict will ultimately be settled by England's giving Asia to Russia, in order thereby to maintain herself in the rest of the world, India being retained as long as possible under England's care.

But Ratzenhofer looks still farther, and foresees the time when "out of the downfall of Russia and out of the dissolution of the English power into many separate English States, a circle of states embracing the world shall at last arise as the outcome of the increasing dominance of European culture" (II, 249). It may seem that here the author has given too loose reins to his political fancy, but that is not the case. He is only drawing the strong, logical conclusions from his scientifically and firmly established premises in regard to the character of politics.

The investigation of "social policy" (*Gesellschaftspolitik*) forms the last (IV) division of the second volume. "In every state," he says, "there are 'persons' which, under the laws in force, can obtain no power. These persons strive for political power, either by means of revolution or by opposing the existing legal order with the legal powers they possess under that order." Such persons (and here we are thinking of religious and socialist parties) necessarily seek the support of those circles that are outside the state, but have common interests. "This struggle and the conflict, within and without the state, which arises in consequence," is social policy (*Gesellschaftspolitik*) (II, 252). In this section the author discusses in a very

objective and moderate manner the work of the various religious, nationalistic, capitalistic, feudal and communistic (socialistic) societies. At this juncture he speaks at length of the Antisemitic Society, which was called into being by the Jewish Society, in keeping with the eternal and unchangeable law that "every really effective social organization calls forth an opposing one" (II, 263).

After the author has investigated the nature of politics, as carried on both by society and by the state, and in national and foreign affairs, he takes up, in Volume III, the purpose and aims of each of these systems of politics. Throughout the first two volumes a realism prevails that certainly will not escape being considered pessimistic by many though I should by no means make such an indictment. With the very first page of the third volume, however, the author enters upon a somewhat optimistic course of thought, a fact that will conciliate many opponents of the first two volumes. The author thinks he can prove that "the influence of the self-interest of all, taken collectively, upon individual self-interest" is growing with the development of mankind, and that the aim of politics is to "harmonize progressive socialization and individualization, the one a social, the other an individual, necessity." To the extent that politics fulfill this purpose are they civilizing; following an opposite course will produce "barbarous" politics. "The aim of politics, *i. e.*, civilizing politics, is the commonweal of mankind."

The author is, of course, careful to say that he is speaking only conditionally of the purpose of politics, because "considered as a phenomenon, politics is of itself, without purpose." This assurance is fortunate, for without it we should be compelled to charge him with having a teleological concept of the world. The author seems to appreciate this well, and consequently does not neglect at the outset to surround his statements regarding the purpose of politics with certain restrictions, in order that he may protect himself against every possible accusation, and especially, against the charge of an unwarranted optimism. For the charge of being thus optimistic would be at the door of everyone who claimed that the aim of all politics, domestic and foreign, and the policy as well of all societies, is to secure the maximum welfare of all mankind. The author does not make this claim. Nevertheless he naturally desires not to leave his large temple of thought without harmonious completion; he wishes, so to speak, to crown his structure with a beautiful dome. He has spoken of struggles and conflicts without end; can he, then, tell us nothing of the *possible* conclusion of these as an aim of politics? Not to do so would, perhaps, be more scientific, though less human.

The author does not practice any such cruelty upon his readers. Just as the poet brings his tragedy to a conciliatory close so Ratzenhofer reassures us with a reference to a possible ending of these struggles by the victory of civilization. This is what he terms "practical optimism." However, we will not call him to account for this, because we ourselves accept this humane view. The idea may not be absolutely scientific, but we gladly accept it as a kind of religion of humanity. This practical optimism judges all politics according as they do or do not lead to a higher degree of socialization of men; if they do, then they lessen the "absolute enmity" within the societies that are thus more highly socialized; and there results a harmony of the interests that have previously been in barbarous conflict.

These more socialized societies can in time come to include entire circle of states. In them also the material motives will steadily decline, and the intellectual and moral incentives, those having the common good of all as their goal, will win the upper hand. Under the steady operation of such forces culture develops into civilization, the highest form of morality and science for which we are by nature fitted, a civilization whose characteristic is freedom of thought concerning those secrets of nature that have from the earliest times been the province of religion (III, 24). Of course, we are to-day still very far from such a condition of affairs. To mention but one evidence of this, the author considers "the practical (present) meaning of the aim of civilizing politics" to be the just participation by each person, and thus by the masses, in the conditions of life." Since the idea of civilization requires a continually increasing socialization, the idea is not concerned with the maintenance of "political individuals;" the continuance of political individuals may often prove a hindrance to civilization (III, 88).

The author maintains that the progress of civilization is certain, because it is a natural necessity of mankind. We cannot follow the author thus far. Has he not at this point allowed himself to be too far misled by his "practical optimism?" On the contrary, we will gladly join him in believing in the great progress of the idea of civilization within the states and the larger circles of culture.

We agree with the author that the tendency of races and nations is to unite into political states, for it is a social law that the concept of a nation is becoming constantly more freed from the idea of a common ancestral descent (III, 130). From this standpoint of a necessary process of civilization, which, like a social law, must work itself out in every state with a civilizing influence, the author subjects the several "political interests" existing in a civilized State to a searching criticism. It would lead us too far afield to follow the author into detail



here. Suffice it to say that what he says concerning the interests of the laboring class, of capital and of manufacturers is worthy of note. He considers the basic institutions of the civilized state from the same standpoint also, "and the purposes of the same when carried into the realm of practice." In the last chapter, devoted to the latter theme, he considers the "civilizing administrative system" of the state.

The succeeding chapter on the civilizing foreign politics of the state gives the author an opportunity to investigate public law, and the commercial and colonial policies of modern states.

In the last division of this (III) volume, the author gives a condensed outline of his philosophy of history, under the title of a "Critique of Civilization." He bases his philosophy of history upon the two results of his previous investigations, respectively expressed in the two following sentences: "The nature of politics manifests itself as a struggle of the existing public entities and institutions each for its own advantage" (III, 401). "The aim of politics shows itself to be establishment of a harmony of all interests."

At this juncture the author shows that according as civilization itself is politics developed for the accomplishment of good, so do political methods employed in the civilizing process improve. This consideration is a warning to the state to employ as far as possible only civilizing means. How did Castlereagh's success in bribing the masses and inducing the Irish Parliament to decree its own death profit England? What advantage has it been to Austria to fail to observe the rights by which she and Hungary have been reconciled? (III, 418).

As the state must ultimately place itself in the service of civilization, so must the sciences place themselves in the same position? The natural sciences, however, must form the basis of all sciences, the political and social included, if they are to be justified in having this aim; for civilization itself, as the author asserts in the "Conclusion of the Discussion of Sociology," is "a phenomenon in which the laws of nature obtain." This view demands a conscious and purposive participation of man in civilization. The author calls this view of civilization, and of the duties men have toward it, "the socialistic concept of the world," an expression which may lead to ambiguities and mistakes.

It is perhaps better to designate this concept of the world, the "sociological" rather than the socialistic.\* A sociological view of the world for the reason that it can command only the leading thinkers among men, "conceals within itself no social dangers, no exaggeration, as the

\* Cf. Gumplowicz: "*Die sociologische Staatsidee.*" Graz, 1892. In which the author establishes this "sociological view of the world" in a way similar to that employed by Ratzenhofer.

individualistic does. An aggressive individualism, the leaven of civilization, is ineradicably connected with our political nature, to temper it and rationally to restrict it is the purpose of socialism considered as a world ideal" (*i. e.*, as a sociological view of the world).

The author closes his thoughtful work with these striking words. We have been able to present the content of the book but briefly, to give a detailed estimate of the work would lead us beyond the limits of a review. We think it is not saying too much to assert that this work by Ratzenhofer is an epoch-making one in the world's political literature. The name of its author will henceforth be associated with the most illustrious sociologists and political philosophers, though he may at first expect to meet much opposition from the ranks of the scholars in the faculties of the German universities.

LUDWIG GUMPLOWICZ.

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*The Repudiation of State Debts.* By WILLIAM A. SCOTT, Ph. D. Pp. x, 325. Price \$1.50. Library of Economics and Politics, Number 2. Richard T. Ely, editor. New York: Thomas Y. Crowell & Co., 1893.

The first feature of this book to attract the reviewer's attention is the extensive and painstaking research evinced by it. A vast amount of material has been worked through, much of it consisting of original "sources," though a portion—as in the case of almost any book nowadays—falls rather under the head of "authorities." The author seems, in fact, to have availed himself of most that would serve his purposes with best effect. Nor is it too much to say that the material has been well, and even skillfully handled.

Another merit of this book is the clear and concise style in which it is written. With the exception of a single sentence on page 71, in which the construction of the word "issued" is not clear, there is hardly a line of doubtful meaning.

The author, however, shows in his work a higher quality than that of the careful investigator or the clear writer. His impartial and successful treatment of the sectional question that constantly forces itself into the field of his inquiry, proves that he has the historical insight and broad human sympathy necessary to understand and interpret the phenomena with which he has to deal. His summary of the causes of repudiation in the South is admirable. The work deals with a most important social question, and its value, beyond the purely economic aspects of the case, would be much increased if, in the separate accounts for the various Southern States, the separation was more clearly indicated between the "carpet bag" governments which saddled the States

with their heavy debts and the more representative governments which came later and repudiated these debts. The reviewer hopes that in the next edition this will be done.

The book is in eight chapters, exclusive of the appendices, and these eight arrange themselves naturally in four parts. Chapter I deals with "The Constitutional and Legal Aspects of Repudiation." Chapters II-VI give the history of repudiation in each of twelve different States. Chapter VII deals with the causes of repudiation, and Chapter VIII proposes remedies. The States are arranged in groups; on what principle, however, is not quite apparent. One cannot see exactly why Mississippi, Florida and Alabama should be grouped in one chapter, while Georgia, Louisiana and Arkansas are dealt with in another. But in fact each State has its own story entirely separate from the others.

There are certain other details of no very important character, in which correction, addition, or change might be desirable. One would like to know, if possible, what the amount of land referred to on page 62 really was and what was its approximate value. On page 63 the old debt of Alabama is summed up as principal alone, while the item just above the footing line contains an interest element. On page 99, and again on page 220 the resignation of Governor Bullock and his flight from Georgia in 1871 are spoken of; but there is not, as there should be in justice to him, any mention of his subsequent return and his life in Atlanta. Chapter VI is entitled "Repudiation in Virginia," and West Virginia is in this way dismissed from the place she deserves, at least in some degree, in the formal enumeration of repudiating States. To be sure the connection of West Virginia with the Virginia debt is explained, but her share in it ought to give her a place in the title of the chapter. "Antoni v. Greenhow," page 185, must mean Hartman v. Greenhow. It is to be questioned whether the table given on page 214 and repeated on page 275 will, on a close study, bear out the conclusion drawn from it. The movement of prices of Georgia bonds especially, for the period taken, is against the inference.

The reviewer is of opinion that repudiation was quite as much due to the lack of confidence, which the States having low-priced bonds had in their ability to pay their debts as to their indisposition to pay them.

The conclusion stated on page 216, implying that repudiation might have been avoided by the Southern States is to be questioned. The table on page 276 shows that the taxable values of North Carolina, for instance, in 1870 were about \$130,000,000, while her debt was about \$30,000,000. The statement on page 74, taken from the Governor's



message and differing from the table, makes the maximum of the debt over \$40,000,000. It must be confessed that it would have taken a large heart under such conditions to look to the future and hope to avoid repudiation.

The remedies suggested for repudiation are none of them (except that of better moral education) without objection. Federal assumption of State debts would involve too great correlative control of the general government over State finances; the repeal of the Eleventh Amendment would hasten the centralization which is going on with rather dangerous rapidity already; and constitutional provision by the States for settlement of claims against them determined and enforced judicially, would substitute for the irresponsibility of the State the possible despotism of the courts. But all the objections are fairly discussed.

The defects of this work are of minor importance and may easily be remedied; its good features are cardinal and essential. It will displease extreme partisans North and South, just as it should; but it can not fail to commend itself to all who desire a clear, candid and intelligent treatment of the subject with which it deals.

GEORGE P. GARRISON.

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*An Analysis of the Ideas of Economics.* By L. P. SHIRRES. Pp. 260. Price \$2.00. London and New York: Longmans, Green & Co., 1893.

This little volume is unique in aim and method. It is an attempt by the author, "taking Austin as his model," to parallel in economics the "lucid expositions of the analytical jurists" in the science of law. From such an undertaking one would naturally expect a series of strained analogies and of ideas mutilated by procrustean definitions. The result, however, is, in the main, agreeably disappointing. Such subjects as the "Province of Economics," and such concepts as wealth, value, credit, commodities and capital, are treated with clearness, breadth of view, consistency, and sound sense. It is notable that with apparently little knowledge of continental European writers, the author has occupied some of the most advanced positions of the latest economic thought. Particularly happy are his development of Jevons' idea that the laws of value must be sought primarily in consumption, and his phrase "The law of consumption" for Jevons' "Variation of the final degree of utility." Very timely, also, is his proof of the fact that economics is a science distinct from, and not a part of sociology, which he defines as the science which "regards society from a biological point of view."

The author seems to have been most profoundly influenced by the Bentham-Jevons "Analysis of Utility," by H. D. MacLeod's economic

application of juristic ideas and distinctions, and by his own close observance of social and economic life in India, where he has held important government positions.

This affiliation of jurisprudence and economics, seen in MacLeod and Shirres, is capable of yielding much good fruit, and the latter has one very useful quality denied by nature to the learned but erratic MacLeod—a judicial temperament. Shirres recognizes the differing limits of legal and economic concepts, which MacLeod rarely does. For example, MacLeod's definition of credit is purely *legal* in its scope—"a right of action against a person to pay or do something." Shirres' definition reads "the interest of the payee in an unconditional agreement to pay a sum of money which is fixed or certain in amount." This, whatever its faults, releases economic credit from the purely legal limitation of "contract" or "right of action," for "agreement" may be wider than law.;

His definition of consumption is one of the best in the book: "A commodity is said to be consumed when it is utilized or made to yield utility." His distinction of "personal consumption" for final utilization and "impersonal consumption" for the "capital" or mediate utilization of goods is one which rests upon a more reasonable idea than that which lies at the basis of the singularly inapt, obscure and inaccurate distinction now unhappily in vogue—"present and future goods."

But the book is not free from faults. The treatment of value begins and progresses for a considerable distance very lucidly only to end in darkness. The legal bent of the author's mind, moreover, somewhat distorts his treatment, and the conclusions reached are now and then barren of economic significance. Indeed, it may be said that the attempt of the author can only be made truly successful when further investigations into economic life shall have wrought more consistency into current economic conceptions. Then the method of the author may be followed with sure results in the matter of clear definition, accurate classification and consistent system.

SIDNEY SHERWOOD.

*Johns Hopkins University.*

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#### NOTE OF CORRECTION.

In my review in the May ANNALS of Professor Cossa's "Introduction to the Study of Political Economy," translated by Louis Dyer, I called attention to two mistakes of fact regarding Professor Conrad and the Hon. Carroll D. Wright. A comparison of the translation with the original, made at the suggestion of Professor Cossa, shows that both blunders are the fault of the translator.

J. W. JENKS.

## NOTES.

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IN HIS MONOGRAPH upon the "Economic History of a Nebraska Township" \* Mr. Bentley does well in making a study from the beginning. He is able to tell us the number of people who located farms at first (1872) and can trace the various fluctuations of population down to March, 1893. The causes of these changes are worked out by a close study. Other studies show us the way credit has worked in the affairs of this township; how much debt has been incurred, and where the burden lies hardest. Most interesting is the study of the condition of those who secured land from the government, from the railroad and purchased from others. The last class seems greatly burdened by their debts; while the greatest prosperity is seen among those who secured the free land. The evidence given shows that the debts on record balance the improvements and the personal property owned. The farmers in Harrison Township, Hall County, Neb., have in recompense for twenty years of labor—their land left. The measure of greatest prosperity is not very large. Most failures have come in recent years, when the market has been East. It is to be regretted that Mr. Bentley was unable to secure tables of prices which were obtained at the local market for farm produce. It might have been well had he investigated what was raised a little farther.

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IN THE SECOND edition of his "*Lehrbuch*," † Professor Bernheim supplies all that was lacking in the first. ‡ There are amply sufficient citations and notes and two indexes. Almost every page contains changes, mainly additions. The bibliographies are brought fully up to date. The book shows a remarkable acquaintance with the literature of the subject, not only in Germany but in foreign countries, and the author with his usual diligence is already collecting material for a third edition. In spite of the use of smaller type for the excursuses

\* *The Condition of the Western Farmer, as illustrated by the Economic History of a Nebraska Township.* By ARTHUR F. BENTLEY, A. B. Pp. 92. Price \$1.00. Baltimore, Johns Hopkins Press, 1893.

† *Lehrbuch der historischen Methode.* Von ERNST BERNHEIM, Zweite Auflage. Leipzig: Duncker und Humblot, 1894.

‡ See the *ANNALS*, May, 1893.



and illustrations, the volume has expanded from 530 to 600 pages, exclusive of the indexes. It is "the best existing handbook on historical science," and supplies a need felt by every student.

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PROFESSOR BRENTANO has recently given us the results of his latest researches into one phase of the labor problem in the form of a second edition of his "*Über das Verhältniss von Arbeitslohn und Arbeitszeit zur Arbeitsleistung*." The views presented in the first edition, which appeared in 1875, are restated in this one with the additional assurance and fuller illustration which an abundance of new material has made possible. Professor Brentano makes frequent use in confirmation of his arguments of the investigation of Dr. Gerhart von Schulze-Gävernitz on the cotton industry, of Dr. Ludwig Sinzheimer on the iron industry and of the material furnished by the eight hour movement in all commercial countries. The last half of monograph consists of a valuable collection of apt quotations from these and various other sources.

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IN THESE DAYS, the political problem which really demands our most serious attention is the reform of city government. This has been "the one conspicuous failure of the United States," says Professor Bryce. The causes of this, of course, are many; but one cause undoubtedly is the lamentable ignorance of our citizens regarding the nature and extent of their duties as voters. Mr. Brinley has given Philadelphians a veritable voters' handbook.\* In this little volume is packed, in well-arranged sequence, a great deal of information that every citizen ought to have ready at hand in order to know how, fully and intelligently, to discharge his political duties. We have a digest of the laws of citizenship; naturalization and qualification of electors; ward boundaries and election divisions; a list of national, state and local officers, for whom the Philadelphian may vote; a calendar of the officers to be voted for between now and 1896; the platforms and rules of the city Republican and Democratic parties and the Municipal League. The citizen will find also the text of the new ballot law of 1893, the acts of 1881 to prevent election frauds; a brief digest of the city charter, together with memoranda of legislative acts, pertaining to the city, and important recent changes in the laws of other States. Much statistical information, as to the city's vote by wards, its financial budget and amount of real estate, etc., etc., is found in the form of tables. Last, but by no means least in usefulness, is an

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\**A Handbook for Philadelphia Voters*. Compiled by CHARLES A. BRINLEY. Pp. 210. Price 50c. Philadelphia, 1894.

ample index, which aids the person desirous of obtaining specific facts. This handbook will be of real service to Philadelphians. Citizens of other cities will do well to follow Mr. Brinley's example.

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OPTIMISM has its legitimate place, and that a large one. It is gratifying that such an optimistic book as Andrew Carnegie's "Triumphant Democracy" should be so widely read as to require the publication of a "revised edition, based on the census of 1890."\* "Triumphant Democracy" is in reality a popular discussion of present political, sociological, and economic questions, and is as accurate a picture as one based on census returns can be. Mr. Carnegie has written "to the whole body of Americans" in order to give them "a juster estimate than prevails in some quarters of the political and social advantages which they so abundantly possess over the people of the older and less advanced lands, that they may be still prouder and even more devoted if possible to their institutions than they are." "Triumphant Democracy" is a book which the teachers of college classes and the University Extension lecturers can advantageously use in connection with their work.

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AN INTERESTING addition to our sources of knowledge about Frederick the Great and his Court is furnished in this memoir of General Chasot, recently brought to light by Herr Gaedertz at Lübeck.† The memoir was prepared in 1797 by Matthias Kroeger, Recorder of Lübeck, and is based on Chasot's last reminiscences, which were published to supplement Frederick's "*Histoire de mon tems*." The general was a life-long companion of the king, save during a few years of misunderstanding, and the brief record throws side-lights on many aspects of the monarch's life and character. The crown-prince's court at Rheinsberg, with its concerts and banquets, the prince's flute-playing and French verses, the vigilance and energy of Frederick on the battlefield, his irritability and capriciousness in private, are incidentally but clearly brought out. His stern antipathy to duelling is seen in a year's sentence of imprisonment for Chasot after acquittal by a court-martial. The battle of Friedberg is vividly painted in a letter from Chasot, describing, with a soldier's modesty, his own share in the brilliant victory. It is the monarch's best side that is turned toward Chasot. There

\* *Triumphant Democracy; Sixty Years' March of the Republic*. Revised edition, based on the census of 1890. By ANDREW CARNEGIE. Pp. xii, 549. Price \$3.00. New York: Charles Scribner's Sons, 1893.

† *Friedrich der Grosse und General Chasot*. Nach der bisher ungedruckten Handschrift eines Zeitgenossen. Von KARL THEODOR GAEDERTZ. Pp. 101. Bremen: C. Ed. Müller, 1893.

is an account of a dramatic scene in which, after the officer's return from his own imprisonment for duelling, he risks his whole favor with the king by interceding importunately for the life of a page under severer sentence for the same offence. Although the king had resisted the appeals of his mother and his wife, he yielded to the pleadings of the friend. Chasot himself is a typical figure of the times—the landless younger son, the soldier of fortune, first winning Frederick's attention by a run of luck at the faro-table that broke the bank, then retaining his favor by his personal attractiveness. We see him now running himself to death with Frederick through the sands of Rheinsberg, now escorting Voltaire across Germany and drawing an impromptu stanza from the philosopher by his ready ingenuity, now rescuing his master from capture at Mollwitz by crying, "I am the king," and drawing the attack to himself, now declining to marry a fortune because he disliked the heiress, now sustaining his position by a lavish display of paste jewels at brilliant entertainments, now taking his departure from Frederick's service in proud silence, and finally settling down to a sober old age as commandant at Lübeck. So instructive a picture of a knight of the eighteenth century we do not often find. Herr Gaedertz has done a real service in recovering it for us from the archives of Lübeck, and presenting it to us with only so much of explanation as enables it to speak for itself.

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PROFESSOR GIDE is one of the several writers who have made us aware of the fact that while English and later German economists think profoundly and reason abstrusely, the French see clearly and present their conclusions in admirable form. To those who recognize that back of the science of economics, and the possible application of its principles, stands the philosophy to which these principles must be referred for full analysis, the work on "*principes d'économie Politique*" will prove very satisfying. The fourth and new edition\* bears evidence of careful revision and correction. Chapters upon the history of economic doctrines and upon the system of protection have been added, and much new matter concerning economic legislation introduced. Statistics, citations and bibliographical data which, in the opinion of the author, interfere with the continuity of the argument, have been removed from the text and the more valuable placed among the foot-notes. Many of the improved features of the new edition are due to the fact that the work has passed through two translations, and hence has been brought into the field of a wider criticism.

\* *Principes d'économie politique*. Par CHARLES GIDE, Professeur d'économie politique à la faculté de droit de Montpellier. Quatrième Édition. Revue et corrigée. Pp. 644. Price 6 fr. Paris: Larose, 1893.



Professor Gide makes due acknowledgment of this, and with good taste and judgment has embodied the best of these criticisms in the foot-notes and made such rearrangement of the text as enhances the value of the work to a marked extent. While the new chapters he adds are rather meagre in treatment and contribute nothing to the strength and excellence of the work he has already done, yet for what they suggest rather than for what they contain they will prove very serviceable to the student. To sum up the merits of this work in a single sentence one might say that it is clear, suggestive, well-rounded, and reconciles in an admirable manner the abstract conceptions of economics with their practical common-sense application.

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GOSCHEN'S "Theory of Foreign Exchanges" has this year reached the sixteenth edition.\* This is a reprint, without change, of the third edition which was brought out thirty years ago. The first edition appeared in 1861, and its high value has been amply demonstrated by the publication of sixteen editions during one generation. It is a book that does not become old.

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STUDENTS of the labor movement will welcome the monograph of Dr. Max Hirsch on "*Die Arbeiterfrage und die deutschen Gewerksvereine*."† Heretofore, information regarding labor organizations in Germany has not been easy to obtain, and it is safe to say that people who are well informed regarding English and American unions are comparatively ignorant of the German. In a pamphlet of ninety-six pages Dr. Hirsch has given us just the information required. He describes at some length the beginnings of the movement in the direction of organization, and sketches the subsequent history of the unions. The struggle against social democracy and the depressing influence of unfortunate strikes are made especially prominent. Dr. Hirsch has been a prominent actor in the movement from the beginning, and his sympathies are strong on the side of the unions.

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MR. GROVER PEASE OSBORNE has written a book entitled "Principles of Economics."‡ It is a book that is difficult to characterize.

\* *The Theory of Foreign Exchanges*. By the Right Hon. GEORGE J. GOSCHEN, M. P. Sixteenth edition. Pp. 754. London: Effingham Wilson & Co., 1894.

† Leipzig: C. L. Hirschfeld, 1893. Price 1 M.

‡ *Principles of Economics*. The Satisfaction of Human Wants in so far as their satisfaction depends on Material Resources. By GROVER PEASE OSBORNE. Pp. 454. Price \$2.00. Cincinnati: Robert Clarke & Co., 1893.

The author is evidently familiar with the works of the leading English economists, and he has clothed some of their doctrines in his own language, and incorporated with them some ideas of his own on practical economic questions. His views on theory are confused and inexact when he does not follow his guides closely, and are simply restatements of their opinions when he does. A few quotations will illustrate the confusion of thought. "Value in Use is what a thing is worth to use." "Value in Use is scarcity of useful things." "Value in Use is the satisfaction which the object gives to the user." "Average Value in Use becomes the basis of Value in Exchange." Cost of production, the author asserts, is made up of wages and interest on "free [circulating] capital," and does not "imply interest on Permanent Produced Wealth [fixed capital], since machinery can be used for no other purpose, and it may as well be used as to stand idle." The style is diffuse and the treatment shows lack of comprehensive knowledge and firmness of grasp. The book contains, however, some keen reflections on the existing economic order, and some very sensible practical suggestions.

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STUDENTS of local government are indebted to Mr. Frank Raymond Savidge, of the Philadelphia Bar, for a very useful piece of work. In "The Law of Boroughs in Pennsylvania,"\* he has given in a concise and well-arranged form exactly what the title page of the book claims for the work, "A treatise upon the incorporation and government of boroughs, the powers and duties thereof, and of borough officials, comprising a full text of the acts of Assembly in relation thereto, with chronological table of statutes." The work is the result of Mr. Savidge's experience as the Solicitor of the Borough of Ridley Park, Delaware County, Pennsylvania; and gives evidence of careful editing. The merits of the book would be much enhanced by enlarging the all too brief "introductory view of borough." We hope subsequent editions will add to this chapter.

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"MASSES AND CLASSES," † as the title indicates, is a book designed to attract popular attention. It is written for the American public by a sojourner in England. The purpose of the book, if other than commercial, is not made apparent, but a common theme is to be found

\* Philadelphia: Kay & Bro., 1893.

† *Masses and Classes: a Study of Industrial Conditions in England.* By HENRY TUCKLEY. Pp. 179. Price 90c. Cincinnati: Cranston & Curtis, 1893.

in every chapter—a contrast between the respective conditions of English and American working people. The life of the English breadwinner is painted in sad colors—a long apprenticeship without pay, faithful service with barely living wages and finally the poor rates; this is the series presented with remarkable uniformity as the different classes of laborers are passed in review. The book is full of interesting facts presented in an entertaining manner, but the instincts of the author seem to be those of a newspaper reporter rather than those of the scientist, and his views should be taken with a grain of allowance. It should be remembered that a part of the same field was covered in a much more thorough and reliable manner by the recent investigations of the United States Bureau of Labor, the reports of which indicate that the condition of the English workingman is far better than that of his continental brother, and not greatly inferior to that of the envied American. In fact the returns from the various sections of the United States, show that in nearly every trade investigated the wages in some parts of this country are lower than those prevailing in Great Britain. When read with these facts in mind Mr. Tuckley's book will be found profitable as well as entertaining.

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THE QUESTION of the national ownership and operation of the railways of the United States was the subject of the Twenty-third Annual Joint Debate, which took place at the University of Wisconsin, the nineteenth of last January. The six speeches of the debate are printed in full in the University paper, *The Aegis*, of February 2, 1894. They contain a large amount of interesting material, worthy the consideration of students of transportation. The debaters did a useful piece of work in arranging a bibliography and publishing the same in connection with their speeches.

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THE *Office du travail* has recently issued the first number of a publication that will be of considerable interest to students of labor questions. It is entitled "*Bulletin de l'office du travail*," and will appear monthly (the first number bears date January, 1894), at the modest cost of 20 centimes a number, or 2 francs 50 centimes a year (Imprimerie Nationale). The *Office du travail* was organized in 1891, according to the terms of the law of August 19 of that year, for the purpose of collecting, arranging and publishing all possible information relative to labor, the condition and development of production, organization and remuneration of labor and its relation to capital, condition of workingmen in France, with comparisons of their condition with that of laborers in foreign countries. To this end the *Office du travail*



was created as an integral part of the Ministry of Commerce and Industry, and has already published many interesting reports of special investigations along the lines indicated. As these reports, however, are often voluminous and not easily accessible to the public the *Office du travail* wishes to popularize its work and to enlist the interest and co-operation of workingmen by issuing the present "*Bulletin*," which is to contain the substance of larger reports, with official information gathered from various sources, and notes on wages, length of working-day, the unemployed, etc., together with reports on foreign countries obtained through the diplomatic service. The "*Bulletin*" is divided into five parts which show its scope: (1) Laws and official documents, including text of laws promulgated and all decrees and government regulations; (2) jurisprudence, giving the decisions of, courts affecting labor organizations, etc.; (3) social chronicle, giving information relative to labor organizations, committees of arbitration, mutual help, and in general all that concerns the social and industrial movement in France; (4) the same as part 3 but for foreign countries; (5) Bibliographical review, giving account of publications of statistical bureaus and labor departments in France and in foreign countries. The numbers that have already appeared, average about 48 pages each and the publication as a whole will not fail to be a valuable and interesting source of information for American students of economics.

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LAST YEAR Professor Brentano and Professor Lotz of the University of Munich began the publication of the economic studies\* of the students in their seminary. Three numbers appeared in 1893. The first monograph, a work of two hundred and fifty pages, is by Dr. Ernst Francke, and is entitled, "*Die Schuhmacherei in Bayern: Ein Beitrag zur Kenntniss unserer gewerblichen Betriebsformen*." The second is a short monograph of fifty-nine pages, on "*Die venetianische Seidenindustrie und ihre Organisation bis zum Ausgang des Mittelalters*," von Dr. Romolo Graf Broglio D'Ajano. The third monograph is one hundred and ninety-seven pages in length; its title is "*Ueber die Grenzen der Weiterbildung des fabrikmässigen Grossbetriebes in Deutschland*." The author is Ludwig Sinzheimer, Doktor der Staatswirtschaft.

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*Revue du Droit Public et de la Science Politique en France et à l'Étranger* is the title of a new bi-monthly review that was started

\* "*Münchener Volkswirtschaftliche Studien*," Herausgegeben von LUJO BRENTANO und WALTHER LOTZ. Stuttgart: Verlag der J. G. Cotta'schen Buchhandlung Nachfolger.

at the beginning of the calendar year. The name indicates quite accurately the field of its operations as set forth in the program of the editor-in-chief, M. Ferdinand Larnaudé, Professor of General Public Law in the Law Faculty of Paris. The Review will discuss questions pertaining to constitutional, administrative and international law. It will aim to be a mirror reflecting in its pages the actual legislation and also the political questions which agitate the various civilized countries of the world. In this field it will aim to be a political review, not, however, in any sense partisan. In each number will be chronicled the principal recent parliamentary and political facts, such as elections, important parliamentary debates, ministerial crises, laws and proposed legislation concerning public law. The review occupies a comparatively vacant field, it being the only one of its kind in France. Among the leading articles of the first two numbers are several devoted to important books. The less important books on public law and political science and the periodicals devoted to the same questions receive reviews and notices. Each number is to contain a "Chronique politique" of several countries. The "Miscellaneous" department at the end of each volume contains reports and other information of interest.

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AN INTERNATIONAL CONGRESS on Customs Legislation and on the Labor Question will be held at Antwerp from July 16 to 21, meeting in the Athenée Royal. The object of the Congress is to aim at the best organization of labor and the best economical system of international trade. It will be open to men of every opinion, employers and employed alike are invited to join together in the discussion. As the Congress is held only for the purpose of discussion, no resolutions will be submitted. The Congress will be divided into two sections, the one on Customs Legislation and its influence on the general welfare, and the other on the Labor Question. The first will meet in the morning and the second in the afternoon. The following are the officers of the committee of organization: Honorary President, M. the Minister of Finance; Honorary Vice-Presidents, M. le Baron, Ed. Osy de Zegwaart and M. J. van Rijswijck; President, M. Louis Strauss; Vice-Presidents, M. le Chevalier Ch. de Cocquiel, M. Aug. Couvreur and M. H. Lepersonne; General Secretary, M. Laurent De Deken; Secretaries, M. Aug. Bulcke, M. le Chevalier Ch. de Waepenaert, M. Aug. Dupont, M. Ed. Karcher, M. Emile Roost and M. Norbert Van Beylen; Treasurer, M. Ch. Good; Delegates of the Belgian Government, M. H. Van Neuss, M. J. Kebers, M. L. Capelle and M. Ch. Morisseaux.

SEPT.

1894.

ANNALS  
OF THE  
AMERICAN ACADEMY  
OF  
POLITICAL AND SOCIAL SCIENCE.

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THE ULTIMATE STANDARD OF VALUE.

There are certain unsettled questions in economic theory that have been handed down as a sort of legacy from one generation to another. The discussion of these questions is revived twenty or it may be a hundred times in the course of a decade, and each time the disputants exhaust their intellectual resources in the endeavor to impress their views upon their contemporaries. Not unfrequently the discussion is carried far beyond the limits of weariness and satiety, so that it may well be regarded as an offence against good taste to again recur to so well-worn a theme. And yet these questions return again and again, like troubled spirits doomed restlessly to wander until the hour of their deliverance shall appear. It may be that since the last discussion of the question we have made some real or fancied discoveries in the science, and some may think that these throw new light upon the old question. Instantly the old strife breaks forth



anew, with the same liveliness as if it possessed the charm of entire novelty, and so it continues year after year, and will continue, until the troubled spirit is at last set free. In this class we find the question—What is the “ultimate standard of value,” (*dem letzten Bestimmgrunde des Wertes der Güter*)? The contest over this question began as early as the days of Say and Ricardo. More recently the German, Austrian, Danish and American, English and Italian Economists have taken it up, so that the contest has assumed an international character.

The present generation has indeed some justification for again renewing the discussion. It cannot be denied that of late we have made some important additions to the sum of our knowledge in regard to the theory of value. This at first resulted in an increase in the number of conflicting opinions, but if we are not greatly mistaken, the present phase of this difference in opinion is due to a positive misunderstanding, which stands as a rock of offence in the path of explanation.

I believe that this fatal misunderstanding may now be definitely and finally removed, by an investigation which need possess no other merits than those of care and exactness, and that this will result in permanently advancing the controversy by several paces. In this belief I venture upon a step which otherwise it would be difficult to justify, and propose to add yet another victim to the hecatombs already offered upon the altar of economic theory, though, owing to the necessity of pedantic thoroughness in such an investigation, it is a sacrifice which may not commend itself to some of our readers.

## I.

### THE PROGRESS AND PRESENT POSITION OF OPINION.

Since the time when Economics first became a science, there have been two rivals for the honor of being considered the “ultimate standard of value,” the utility that the goods

afford, and the cost of their attainment. Any tyro who takes up this question of the "value of goods" will invariably start out with the idea that we value goods because, and in the measure that, they are useful to us. He will, therefore, incline to the opinion that the ultimate cause of the value of goods is to be found in their utility. But this naïve opinion is soon disturbed by a thousand practical experiences. It is not the most useful things, as air and water, but the most costly things that show the highest value. Again, in innumerable instances, it is undoubtedly true that value and price do accommodate themselves to cost of attainment, and so at the very outset the spirit of dissent was introduced into the theory of value, and has remained there until the present day. There was either this divergence of opinion, or a division of the field of value phenomena into two sections, that of utility and that of cost; or, finally, both domain and opinions were divided.

The classical theory of value, as is well known, divided the domain of the phenomena of value. A distinction was drawn between "value in use" and "value in exchange." The "value in use" of goods was thought to rest entirely upon utility, but beyond this passing reference to the domain of utility the classical theory did not trouble itself about value in use. In "value in exchange," a distinction was made between monopoly or scarcity goods on the one hand, and freely reproducible goods on the other. The value of goods of the first class, *e. g.*, wines of rare vintage, statues or pictures by leading artists, rare old coins, patented inventions, was thought to depend upon the demand for them, and this in turn depended upon their utility. The value of goods of the second class was thought to depend upon their cost of production, or, as it has been more accurately stated, since the time of Carey, upon their cost of reproduction. To this, as we know from experience, the value and price of all freely reproducible goods tends, in the long run, to conform.

As we have said, the classical theory does not enter into any discussion of "value in use." It also practically ignores the value of scarcity goods, holding, that instances of such value are few in number and of little importance. The stress was thus thrown upon the value of freely reproducible goods. In this way it came about that "cost" was held to be the "ultimate standard of value." This view did not escape frequent and serious, though for the most part, unsuccessful attacks. Say, MacLeod and many other celebrated or little known writers have, at one time or another, attacked this cost theory of value.

It was urged that things that are not useful do not have value, no matter how high their cost of production or of reproduction may be, and therefore that high cost can only result in high value, when associated with a correspondingly high utility. From this the further conclusion was eagerly drawn, that the correspondence between value and cost, which is not to be denied, does not result from value regulating itself according to cost, but rather from cost regulating itself according to value, since higher costs are only undergone when, from the outset, correspondingly higher values are anticipated.

This line of argument, however, is itself open to serious and very manifest objections. It might be urged that just as there can be no value without utility, no matter how great the cost may be, so there can be no value without cost, no matter how great the utility may be. This is manifest in the familiar instances of air and water. The adherents of the cost theory had so much of direct experience in their favor, confirmed as this was by the undeniable interdependence of cost and value, that they for a long time had the advantage in this constantly recurring strife.

A remarkable shifting of the scene was brought about by the appearance of the theory of marginal utility. The main points in this theory I may safely assume to be well known. Its corner-stone is the distinction between usefulness



in general, and that very definite and concrete utility, which, under given economic conditions, is dependent upon the control over the particular good whose value is to be determined. According to this theory, value arises as a rule—that there are exceptions. is expressly emphasized—from the utility of goods, not however from some abstract and ever-varying usefulness which cannot be definitely measured, but from that use or useful employment (*Nutz Verwendung*), which in a definite concrete case is dependent upon the control over the particular good.

Since of all the possible useful employments to which the good may be put, it is not the most important, but the least important, that a rational being would dispense with first, the determining utility is the smallest or least important utility among all the useful employments to which a good may be put. This determines its value and is called the marginal utility.

This more exact form of the use theory of value meets in a clear and definite way the objection urged against the older "use" theory of value; namely, that free goods, no matter how useful they may be, have no value. The answer is, that since these free goods exist in superabundant quantities, there is for us no utility dependent upon a concrete quantity of the same, as a single glass of water or a single cubic metre of air. Their marginal utility therefore is zero. Again, this theory of marginal utility gives us the basis for a new and vigorous attack upon the cost theory of value. Considered from one point of view, the cost that determines the value of any product represents nothing else than the value of the producers' goods. If now, as we are compelled to do in a scientific investigation, we inquire how we are to determine the value of these producers' goods, we find that this, too, in the last resort is determined by marginal utility. The cost therefore exercises, as it were, only a vice-regency. It cannot be denied that under certain circumstances it governs the value of certain products, but it is itself, at least in

most cases, governed by a still higher ruler, namely, "marginal utility." Cost, therefore, is for the most part merely a province in the general kingdom of utility, and it is to this last that we must concede the position of the universal "ultimate standard of value." This proposition was first placed in opposition to the prevailing classical theory, in a bold and uncompromising way, by Jevons. "Value depends entirely upon utility," this writer emphatically declares in the very beginning of his great work on "The Theory of Political Economy." This proposition has since found even clearer and more exact statement at the hands of the Austrian Economists, nor have we even yet entirely escaped from this newest phase of the old struggle between cost and utility as the ultimate determinants of value. The present contest is notable, not merely for the number and scientific rank of those who are parties to it, among whom may be found many of the ablest economists of all countries, but also because of the extraordinary variety of opinions advanced. Instead of two opposing conceptions, we find a whole series of separate and seemingly unrelated opinions, each of which is held with the greatest persistence.

The most extreme opinion at one end of the series is that which finds statement in Jevons' proposition, that "value depends entirely upon utility." It must, however, be added that while Jevons occasionally gives statement to this proposition in the above sweeping and uncompromising terms, yet the doctrine as expounded by him contains elements which necessarily lead to a limitation of this proposition. The addition of these necessary, though not highly important limitations, gives us the doctrine as taught by the Austrian economists.\* They, therefore, stand next to

\*This name, given us by our opponents, includes a certain group of theoretic economists. Not all of those included are Austrians, nor does the group include all the Austrian economists. I would also take occasion to remark that when in the following I speak in the name of the Austrian economists, I do not wish that anyone else shall be held responsible for what I may say or for the manner of saying it. Conversely I do not wish to place myself in the position of being responsible for the statements of every member of that group. Again, while I

Jevons in the series of opinions. Their position is that cost does not officiate as the original and ultimate determinant of value, except in a comparatively limited number of unimportant cases.\* The great majority of value phenomena are subject to the dominion of utility. This dominion is exercised in some cases directly, but in a still greater number of cases indirectly. When exercised indirectly the value is, of course, first determined by certain costs, but closer analysis shows that these costs are themselves determined by utility.

At the other extreme end of the series, we find the eminent Danish economist, Scharling, who would establish cost (under the title of "difficulties of attainment") as the sole ruler over the entire domain of value; over value in use, as well as over value in exchange; over the value of freely reproducible goods, as well as over the value of scarcity goods.†

Quite close to Scharling, who is a very pronounced opponent of the theory of marginal utility, we find the acute American thinker, J. B. Clark, who is a no less decided adherent of that theory. This illustrates how strangely confused the controversy has become. Clark also makes cost the general and ultimate "standard of value," though in a different sense from Scharling. According to Clark, the final and determining condition is the amount of personal fatigue, pain or disutility which is imposed upon the laborer by the last and most fatiguing increment of his day's work.‡

have given statement to certain general doctrines of the Austrian economists, yet I would expressly state that the kernel of the doctrine does not belong to me, but is, to a large degree, the outcome of the investigations of my able colleagues, especially Menger and Wieser.

\* Wieser's "*Ursprung und Hauptgesetze des Wirtschaftlichen Wertes*," Wien, 1884, p. 104. Then my "*Grundzüge der Theorie des Wirthschaftlichen Güterwertes*," in Conrad's *Jahrbücher für Nat-Oek.* N. P. B. XIII, 1886, p. 42. Then my article, "*Wert*," in Conrad-Lexischen *Handwörterbuch der Staatswissenschaften*.

† Essay on the "*Werttheorien und Wertgesetze*," in Conrad's *Jahrbücher*, N. P. B. XVI.

‡ "Ultimate Standard of Value," *Yale Review*, November, 1892.



Somewhat nearer the middle of our series, though still not far from the cost end, we find those writers who, with certain modifications, uphold the old classical theory. It is here that we find the learned and contentious Dietzel,\* of Bonn, who so divides the field of value that the value of scarcity goods is determined by utility, while the value of freely reproducible goods is determined by the cost. His position differs from the classical theory, in that he divides the domain of value in use between utility and cost, in the same way that he divides the domain of value in exchange. The classical theory, on the other hand, puts the use value entirely under the dominion of utility. Quite close to Dietzel, we find the Italian economist, Achille Loria, and the able American defender of the classical school, Professor Macvane. The latter has recently attacked the position of the Austrian economists, in two polemical papers of great acuteness. His interpretation of the Austrian theory, however, is not always accurate, nor always free from polemic exaggeration. His chief objection is that their conception of cost as "a sum of producer's goods possessing value" is obsolete and untenable. He holds that the only genuine economic cost of production is labor and abstinence (more correctly, waiting), which, in the case of freely reproducible goods, are the final and entirely independent regulators of value.†

Where opinions vary so widely from one another, some one is usually found who will take a middle course, hoping to find a solution for the problem in the golden mean. This mission of conciliation has been undertaken in this case by no less eminent economists than Professor Marshall, of

\* *Die Classische Werththeorie und die Theorie vom Grenznutzen*, Conrad's *Jahrbücher*. "Zur classischen Wert und Preistheorie," N. F., Vol. 20, in the same *Jahrbücher*, third edition, Bd. I.

† "Böhm-Bawerk on Value and Wages," in the *Quarterly Journal of Economics*, October, 1890; also "Marginal Utility and Value," in the same journal, April, 1893. Near the completion of the present paper, a third paper by Professor Macvane came to hand, "The Austrian Theory of Value," ANNALS OF THE AMERICAN ACADEMY, November, 1893.

Cambridge,\* and Professor Edgeworth, of Oxford.† Both of these writers incline toward the theory of marginal utility, but have perched themselves very nicely upon the middle round of the ladder, from which vantage-ground they send forth gentle blame and conciliating applause to both parties in the discussion. Jevons and the Austrian economists are censured for exaggerating the importance of marginal utility, while the adherents of the classical theory are taken to task for underrating its importance; the truth, they say, lies in the middle. Scarcity goods, without doubt, have their value determined entirely by utility. In the case of freely reproducible goods the demand is governed by utility, and the supply by cost; since the price is determined by the interaction of these two factors, one cannot say either that utility alone or that cost alone determines value; but rather that utility and cost co-operate with each other in the determination of price, like, to use Professor Marshall's figure, the two blades of a pair of shears.‡

Criminal lawyers of long experience are wont to apply to obscure and complicated cases the motto: *Cherchez la femme!*

For my own part, when, in our science, I find many clear and able thinkers at odds about a given point, I usually ask myself, where is the ambiguous or elusive concept with which

\* "Principles of Economics," London, 1890 (second edition, 1891), and "Elements of Economics of Industry," London, 1892, *passim*.

† A very able criticism of my "Positive Theory of Capital," in the *Economic Journal*, June, 1892, page 328. Also in the same number a criticism of Smart's "Introduction to the Theory of Value," by the same writer.

‡ Among other noteworthy contributions to the discussion of this theme I would mention Patten's "Theory of Dynamic Economics," 1892; also a paper by the same writer in a recent number of the ANNALS OF THE AMERICAN ACADEMY ON "Cost and Expense." Patten takes a position which in the main is not far from that of the Austrian economists. His point of view is, however, peculiar, in that he throws special emphasis upon the influence or consumption upon the value of goods. This is a special theme which lies outside of the province of this paper. It still remains to notice the work of Irving Fisher ("Mathematical Investigations in the Theory of Value and Prices"), Connecticut Academy, 1892; also a very able work of Benini ("Il valore e la sua attribuzione ai beni strumentali"), Bari, 1893. The views of the Austrian economists have found very able and, because of many original features, very interesting statement, at the hands of W. Smart ("Introduction to the Theory of Value," London, 1891).

they are playing. In this case we need not search far afield; it is the concept of "cost."

## II.

### THE VARIOUS MEANINGS OF THE WORD "COST."

The term "cost," like many of the other terms employed in political economy, is used, both in scientific discussions and in practical life, in several different senses. Even when in a general way we agree in saying that the "cost of production of a good is the sum of the sacrifices involved in the creation of the good, this, by no means, guarantees that we all have the same thing in mind. In the estimation of these sacrifices, we may employ several different methods of measurement. These give us results which, under certain circumstances, will differ not merely with reference to the terms employed, but also with reference to the phenomena indicated by these terms.

First of all, we may distinguish between what might be called the "synchronous" and the "historical" methods of estimating sacrifices. According to the former, we take a unit of the total sacrifices as the basis for our reckoning, a unit which contains an increment of all the forms of sacrifices, which, at any instant, must enter into the production of the commodity. In the production of cloth, for instance, we require at the same time, yarn, looms (wear and tear), the labor of weavers, coal, etc., besides a great many subordinate means of production. By this method we usually arrive at a very extensive list of production sacrifices. In order to obtain a single expression for this aggregate, or for the height of the cost, we must bring these various elements in production to a common denominator. This may be done by estimating them all according to their value or price. Hence, in the synchronous method of reckoning, the cost represents the aggregate of the means of production, that have been consumed in the creation of the commodities, estimated according to their value.



This is undoubtedly the sense in which the term cost is understood in practical business life. It is in this way, that the manufacturer, the farmer and the merchant reckon their cost. This, too, is the sense in which Professor Marshall employs the term when he speaks of the "money cost of production,"\* and in my own writings about value and capital, I usually employ the term cost in the same way. Usually but not always, because for certain purposes another mode of estimating sacrifices, becomes important and may not be neglected. This is the historical method. It is quite manifest that many of the concrete forms of goods, which we to-day are compelled to sacrifice to purposes of production, are themselves the product of past and more original sacrifices. For example, the wood and coal that we consume to-day in the production of cloth, and likewise the machine which we wear out, are themselves the product of previous sacrifices of labor. If we go behind these material commodities to the sacrifices which the human race has suffered in successive periods of time, in bringing them into existence, or if you like the sacrifices necessary to reproduce them, the list of the historical production sacrifices would be greatly simplified. It would include two, or at most three, elements. First of all comes *labor*, which without doubt is the most important of these elements. Then comes a second to which many economists have given the name, *abstinence*. Perhaps a third might be added, namely, *valuable original natural power*; though many might decline to regard this last as a sacrifice.

For our present purpose, the extension of the discussion to the last two elements, about which there may be some question, is not at all necessary. We may indeed leave them entirely out of the discussion, and take the most important of the above elements—labor—as the representative of the elementary production sacrifices. Of course we do not mean

\* "Elements" vol. I, p. 214. Compare especially the enumeration of the elements of cost on p. 217.

that we would either deny or overlook the co-operation of the other elements; but, in the question which here interests us, these elements play a part in no way different from that played by labor, so that the result obtained for the latter may in a general way be regarded as true of the other elementary production sacrifices. It is therefore hardly necessary to repeat the same argument for the other elements.

As I have already remarked, the historical mode of viewing cost is regarded by Professor Macvane as the only correct method;\* whether or not he is right we have yet to inquire. It is employed by Professor Marshall in the statement of his conception, of "the real cost of production."† In numerous instances I also have had occasion to make use of it, as when I endeavor to show that capital does not possess original productive power. Again, when in explaining the operation of the law of cost,‡ say in the iron industry, I declare in a brief way, that the necessary means of production are mines, direct, and indirect labor.§

According to this historical method of reckoning cost, labor may be regarded as the chief representative of all production costs. But the sacrifice arising from the expenditure of labor may itself be measured by different standards or scales. We can measure it either according to the amount of the labor (*i. e.*, the duration of the labor), according to the value of the labor, or, finally according to the amount of the pain or disutility, which is associated with the labor.

\* In his paper, "Böhm-Bawerk on Value and Wages," pages 27 and 28, and more recently in his paper on "The Austrian Theory of Value," page 14. In order to avoid any possible misunderstanding that might result from a difference in the use of the term "historical cost" by Professor Macvane ("Marginal Utility," page 262), I would expressly state, that I apply the term "historical" as antithetical to "synchronous." I therefore include under this term not only that cost of production, which has actually been expended in the past, but also the cost of reproduction, in so far as this "historical" may be resolved into the single state of primary productive power, which must in successive periods of time be applied or expended.

† "Elements," page 214. "The exertions of all the different kinds of labor that are directly or indirectly involved in making it, together with the abstinences or rather the waitings required for saving the capital used in making it: all these efforts and sacrifices together will be called its real cost of production."

‡ "Positive Theory of Capital," page 95 of English edition.

§ *Ibid.* page 229 of English edition.

Obviously, through the use of these different standards of measurements, one will arrive at very different formulas for expressing the amount of the costs. If, for instance, one were asked: What is the cost of production of a certain piece of cloth? he would answer according to the first scale or standard, twenty days' labor; according to the second (if a day's labor cost say eighty cents), labor to the value of sixteen dollars, and according to the third, a certain sum of pain or disutility, which the laborer must endure.

But it is important that we should here see clearly, that this involves more than a mere difference in the terms employed. For according as we employ one or the other of these scales or standards, our estimates of the actual amount of the cost of any commodity will vary. They will not only be different, but may even positively contradict each other. Suppose, for instance, that a certain commodity A requires for its production twenty days' labor, which is paid for at the rate of eighty cents per day; again let us assume that a certain other commodity, B, requires thirty days' labor, which is paid for at the rate of forty cents per day. Now if we employed the first scale or standard, we would reach the conclusion that the cost of A was less than the cost of B, (twenty against thirty days' labor). By the application of the second, we reach the directly opposite conclusion, that the cost of A is greater than the cost of B (labor to the value of sixteen dollars against labor to the value of twelve dollars). It is also clear that even though we assume that the labor in these cases is equal, either in amount or in value, this does not necessitate the conclusion that the amounts of pain or disutility are equal. The labor of a great artist, which perhaps is paid the highest of any form of labor, may not only not cause him any pain, but may even yield him, quite independent of all economical considerations, a large measure of pleasure. It might therefore very readily happen that by the application of the third standard, the cost of a commodity would seem very small, while its cost, according



to the other two standards, would seem very large, and conversely.

This short resumé of the uses that have been made of the term "cost of production" makes it clear, that if we would avoid idle disputation, all further discussion of this subject must be preceded by the consideration of a preliminary question. A question which, for the most part, has been neglected by those who have taken part in the general discussion. The whole controversy, in its final issue, turns upon the famous "law of cost," which holds that the value of the majority of goods, namely, those which may be regarded as freely reproducible, adjusts itself in the long run according to the cost of production. As to the actual manifestation of such a law, there can be no question. Its existence is empirically proven, and so far as the actual fact is concerned is unanimously acknowledged by all parties to the discussion. The real question is as to the deeper meaning, the final theoretical conclusions, which may be deduced from this empirically established law of cost. But before we can enter upon any inquiry in regard to this deeper meaning, we must first know in what sense the term "cost" is to be employed.

That it cannot at one and the same time, have all of the above enumerated meanings, the preceding examples make very manifest. If the cost of a commodity A, taken in one sense is higher, and taken in another sense is lower, than the cost of a commodity B, it is manifest that the price cannot, at one and the same time, be adjusted in both senses according to the cost. In that event the price of the commodity A would at one and the same time be higher and lower than the price of the commodity B. Our most pressing problem, therefore, is to find a solution for that preliminary question, to which we have referred, a question which finds statement in the title of the following chapter.

## III.

FOR WHICH OF THE DIFFERENT MEANINGS OF THE WORD  
"COST" IS IT REALLY TRUE THAT, ACCORDING TO  
THE EXPERIENCE OF INDUSTRIAL LIFE, PRICES  
ADJUST THEMSELVES ACCORDING TO COST.

It is undoubtedly true for the value sum of the synchronously reckoned cost; or for what Professor Marshall calls the "money cost of production." This is the cost from which, in practical life, the "law of cost" receives its most direct and effective confirmation. The action of the merchant is determined by the amount which he must expend for all the necessities of production. If the price of the ware is not sufficient to cover this outlay, he ceases to bring the ware to market; conversely, if the price yields a fair surplus over and above this outlay, the producers increase the supply until the price, in the above sense, is adjusted according to the cost. It is therefore, from the standpoint of the practical man's estimate of the money cost of production, that the "law of cost" is always demonstrated. Even such writers as Professor Marshall have recourse in the first instance, to this method of proof.\*

We do not mean to say that this "law of cost" is only true for the synchronous method of reckoning money cost. On the contrary, it is in a certain sense applicable also to the historically reckoned cost; and it is this extension of it which, since the time of Adam Smith, has excited the greatest interest among writers on the theory of value. The only question is, to which of the different conceptions that are included under the historical method of reckoning cost may this be applied.

There is no doubt that it is true—in that approximate way in which any "law of cost" can be true—of the primary elements of cost, labor and abstinence, measured according

\* For instance, "Elements," page 222, "the normal level about which the market price fluctuates will be this definite and fixed (money) cost of production." Compare also the explanation of "equilibrium," on page 219.

to their value. We might put this in a more concrete form as follows:

In those goods that generally obey the "law of cost," the price of the finished product tends to an approximate equality with the total sum, that must be expended in wages and interest during the whole course of its production.

This proposition, I believe, is common to all theories of value including the classical (see A. Smith and J. S. Mill), and really follows as a logical consequence from the older theories. We have said that the price, say of cloth, tends to adjust itself to the money cost of producing cloth. This consists in part of the wages and interest, which are paid directly in this industry (the wages of weavers); also, in part, of the money expended for the consumption and durable goods sacrificed in its production, for instance, the yarn consumed. But here again, the money price of yarn, according to our proposition, would tend to adjust itself to the spinner's money cost. This again consists, in part, of interest and wages of spinners, and in part, of the money expended upon consumption and durable goods, say the wool consumed.

It is manifest that the analysis may be continued in this way until finally the money cost of every single stage of production is resolved into interest and wages. In so far as the prices of the finished product or of the intermediate products (cloth, yarn, wool, etc.), actually conform to their money cost of production, they cannot fail, in the end, to coincide with the total sum of the interest and wages expended in their production. Or what is the same thing, they will agree with the total outlay of the original elements of production—labor and abstinence—rated according to their value or price.

The primary outlay in production, especially the labor, to whose consideration we will, for the sake of brevity, confine ourselves, can, as we know, be measured by other scales or standards.



If we attempt to verify the law of cost, with reference to these other methods of measuring costs, we soon come to grief.

It is very clear, for example, that the "law of cost," in the sense that the price tends to conform to the quantity or duration of the labor expended, will not hold good. To prove this, we need only advert to the simple fact that the product of a day's labor of a machinist or cabinetmaker is much higher in value than the product of a day's labor of an ordinary ditch-digger. This holds good, not only for the difference between skilled and unskilled labor, but also for the less pronounced differences that exist between the various groups or grades of common labor. The well-known doctrine of the socialists, which bases all value upon the quantity of labor expended, must either do violence to the facts or be untrue to itself; and this entirely independent of the fact that it ignores the cost element—abstinence. When, for example, Marx concedes that skilled labor must be translated into terms of common average labor, and so, for the purposes of estimating cost, must be regarded as some multiple of this common average labor, he is only verbally faithful to the proposition that the duration of labor is the true measure of cost. As a matter of fact, he makes, the *value* of the labor expended the measure of the cost.

Our investigation becomes far more difficult when we come to consider the fourth of the above enumerated meanings of the word cost; this meaning understands by the word cost, the sum of the pains or disutilities which the laborer must endure in production. This brings us to the cardinal point of the whole question, a point, however, which requires the most careful investigation.

It is quite conceivable that the correspondence which we have already noted between the value of freely reproducible goods and their synchronously reckoned cost, and again between that value and the value of the labor expended, may extend to a third member. In this case the law of cost

would be true in a threefold sense. To establish this it would be only necessary to show, that the value of the labor corresponds with reasonable accuracy to the amount of pain that the laborer endures.

Such a correspondence actually occurs under a certain definite assumption. This assumption depends upon the facts, first, that the pain of labor increases with its duration, and second, that the labor is continued until the pain of the last increment of labor (*Arbeitstheilchen*), say the last quarter of an hour, is in exact equilibrium with the marginal utility of the product of that final increment of labor. In this event we have here a common rendezvous for our several items—the utility of the product, the pain endured by the laborer, the value of the labor, and finally the value of the product.

Let us illustrate this by an example. We will take a man engaged in one of the ordinary trades, say a cabinetmaker or a locksmith. A certain amount of money, say five cents, which he obtains for a quarter of an hour's labor, has for him a definite value. This is determined by its marginal utility, or by the importance of the last need which he is in a position to satisfy through the outlay of five cents. Now, according to well-known principles, about which my English and American colleagues and myself are in entire agreement,\* this marginal utility will be smaller, as the daily pay of the laborer increases. It will, for instance, be smaller when the laborer receives two dollars and forty cents for twelve hours of work, than when he receives one dollar and

\* The very nature of my problem specially compels me to seek some settlement or agreement with the representatives of English and American science. Partly because their rival opinions touch most nearly the salient points of the controversy; partly because they already, in consequence of the great weight of scientific authority which they have upon their side, and of the exceptionally able representatives which they have found, are in advance of all others. Besides, I have elsewhere taken occasion to refer to some of the others whose opinions bear upon this point. I referred to Scharling's theory in my "Theory of Capital," p. 160, English edition; to Dietzel in two papers, "*Zwischenwort zur Werttheorie*," and "*Wert, Kosten und Grenznutzen*," in Conrad's *Jahrbücher*, N.F., vol. xxi, and third edition, vol. iii.

sixty cents for eight hours of work. Again, according to equally well-known principles, about which there is a no less complete agreement among all parties to the controversy, the fatigue and strain of the laborer grows with the increase in the duration of labor. Other things being equal, the tenth hour of labor is unquestionably more fatiguing than the third or sixth, and a fourteenth or an eighteenth would certainly be still more fatiguing. Now, since the marginal utility of every five cents added to the pay of the laborer is less than the utility of the last preceding five cents, and since with each additional quarter of an hour of labor the pain increases, there must come a point where the two will meet or be in equilibrium with each other. It is also undoubtedly true that when the laborer is entirely free to determine the length of his labor day, he will continue his labor until this point of equilibrium is reached. He will work nine and one-half hours when and because to his mind five cents is just sufficient indemnification for the disutility of the thirty-eighth quarter-hour of labor, but not sufficient for the somewhat greater disutility of the thirty-ninth quarter hour.

This point of equilibrium will, of course, vary for different laborers. A laborer, for instance, who must provide for a large family, and to whom the addition of five cents means the satisfaction of a quite important want, will be inclined to work longer, as will also a strong, vigorous laborer, who feels less fatigue from this labor. On the other hand, the sickly or lazy laborer, or the one who has fewer, or less pressing wants, will stop at an earlier point. He will prefer a longer period of leisure to the increased amount of wages, which he would have obtained had he continued to work.

It is just as manifest that, other things being equal, the point of equilibrium will vary for one and the same laborer, according to the amount of the wage which he will receive for the additional quarter hour. A laborer who would work thirty-eight quarter hours, for five cents per quarter hour, would perhaps work forty-two quarter hours, if he could



obtain seven and a half cents per quarter hour, while if he received only two and a half cents, he might only work thirty quarter hours.\* Or the number of hours of labor and the degree of fatigue, which the laborer will endure, will vary with the rate of wages.

Upon what then, under the above assumption, will the rate of wages (in other words the value of the labor) and the value of the created products depend? For the simple conditions of a Robinson Crusoe this question is already answered. The value of the goods produced, which for a Crusoe have no price, but merely a subjective value, will equal their marginal utilities to him. Since the product constitutes his wages or the recompense for his labor, the rate of wages or the value of his labor is identical with the value of the product.

Finally, Crusoe, as a reasonable being, will continue his labor to that quarter of an hour, the disutility of which will be exactly counterbalanced by the utility of the goods produced in this quarter of an hour. All four of the items which we have been considering would then be equal. Value of product—value of labor—marginal utility—pain of labor. If it is asked: What, in this case, are the factors that determine the value of the product? We must reply that "utility" and "disutility" are here of equal importance. The utility of the goods produced and the pain of the labor undergone. This point of equilibrium by which the marginal utility, and therefore the value, is determined, is in reality the marginal point for both utility and disutility. We might therefore, in this case, say with Professor Marshall,

\* I would not maintain that low wages must always result in a sinking of the point of equilibrium. It may very readily happen, that with very low wages the necessities of the laborer and so the marginal utility of the unit of money, which he receives, is so great that he is compelled, even to satisfy the most pressing wants, to endure long hours of labor. This occurs with us in the case of the miserably paid sewing women, who not unfrequently work from fourteen to fifteen hours a day. But, as a rule, and especially where the payment of wages is so arranged that the overtime is paid for as a separate item from the regular time, the advance in wages will result in an increase in the supply of labor. This is always under the assumption that the laborer is free to determine how long he will work.

that, in the determination of value, utility and disutility, or pleasure and pain, work together like the two blades of a pair of shears.

Though essentially the same thing, the matter takes a somewhat more complicated form, when we turn to the consideration of a laborer in our actual economic world; still assuming of course that the laborer is free to continue, or to terminate his labor when he pleases. Here also, the value of the product will equal the value or wages of labor. This will be true, even though the laborer does not receive his reward directly in the form of the created product, but receives a certain money consideration, in lieu of his share of the product. When competition has done its work, and forced the value of the product down, until it equals its cost, then the wages which the entrepreneur has paid out either directly or indirectly, must equal the value of the product, (we here ignore all payments for abstinence). How high will the value of both product and labor go? We would again answer, to the point at which marginal utility and marginal disutility coincide. Here, however, a new element enters into the problem. We have to consider, not only the marginal utility which the wages have for the laborer, but also the marginal utility which the product of labor has for the general public or for the consumer.

Every consumer continues to buy so long as the marginal utility of the ware exceeds the price sacrifice. Since the marginal utility decreases as the supply increases, an increase in the amount produced cannot find a market except at a lower price. When, for instance, thirty million pieces of a product, each of which cost one-quarter hour's labor, will find purchasers at a price of seven and one-half cents; thirty-five million pieces will perhaps bring only six cents each; thirty-eight million only five cents; forty-two million only four cents, while fifty million might only find buyers at two or at one and one-half cents. On the other hand, the amount that will be produced will depend, *ceteris paribus*, upon

the length of the working day. But this again, as we have seen, depends in part upon the rate of wages, or upon the amount which the laborer will receive for an additional quarter hour of work. With a wage of two and one-half cents per quarter hour, every worker, according to the figures of a previous example, would be willing to work thirty quarter hours per day: with a wage of five cents per quarter hour, they would work thirty-eight quarter hours; with a wage of seven and one-half cents per quarter hour, they would work forty-two quarter hours. If the number of workers be taken as a million, then with a wage of two and one-half cents per quarter hour, they will produce thirty million pieces; with a wage of five cents, thirty-eight million, and with a wage of seven and one-half cents, they will produce forty-two million pieces of a product of which each piece costs one-quarter hour of labor. It is manifest that under these conditions supply and demand will be in equilibrium when we have a product of thirty-eight million pieces with a value of product, and a wage of labor equal to five cents. This would be the price of the commodity and the level of wages at which demand and supply would come into equilibrium. All those who desire to purchase at that price would be satisfied, and, at the same time, the price would afford sufficient indemnification for the pain endured by just the right number of workmen. It must not, however, be forgotten that in the fixing of this level the utility of the ware is just as important a factor as the disutility of the labor, or that in the determination of this level they work together like the two blades of a pair of shears.

Here, however, my English and American colleagues and myself must part company. They seem to regard this rule as capable of quite general application.\* They even seem

\* Professor J. B. Clark, in his paper on the "Ultimate Standard of Value," has set forth with great clearness and elegance, nearly the same thought which I have employed in the text. He certainly draws from it a conclusion which I am no more prepared to accept than his brilliant statement of a part of their premises.



disposed to hold that it is the great law itself. I hold, on the other hand, that this rule has no wider application than is justified by the assumption upon which it is based; namely, that the laborer is entirely free to determine how long he will continue his daily labor. When, however, we turn to the actual facts of our present industrial life, we find first that this assumption does not obtain, save as an exception, and that it does not correspond at all with the other assumptions upon which our empirical law of cost is based.

## IV.

THE RELATION OF THE "LAW OF COST" TO DISUTILITY  
CONTINUED.

To demonstrate the first of the two propositions with which I closed the preceding chapter, I need only advert to well-known facts. It is, for instance, a fact of common experience, that in most branches of production the laborer is not free to determine the length of his working day. The hours of labor are fixed more or less by custom or law. This is true in factory and workshop, as well as in agriculture. In some countries it is the eleven-hour day, in others the ten-hour day, that prevails. If the present labor agitation should be at all successful, we may see the eight-hour day quite generally adopted. In any event, the amount of the pain of labor is more or less fixed. When changes occur in the rate of wages or in the value of the product, the laborer is not free to make a corresponding change in the length of his working day, and thus restore the equilibrium between utility and disutility. If the ten-hour day prevails, we cannot say that with a wage of seven and one-half cents per quarter hour, a million laborers will work forty-two million quarter hours, and hence that forty-two million pieces of commodity will be produced, while with a wage of five cents, they will labor thirty-eight million quarter hours, and produce thirty-eight million pieces of commodity. But whether

the wage was five or seven and one-half cents, they would, in all probability, work forty million quarter hours and produce forty million pieces of commodity. In this way the equilibrium, in the case of the individual laborer, between the wages and the disutility of labor is disturbed. With many the disutility of the last quarter hour of labor will be less than the utility of the wage received, while for others it will be in excess of the same, *i. e.*, the laborer in this last instance, will find that the disutility of the last quarter hour of labor (or it may well be of several of the last quarter hours) is greater than the utility of the wage that he receives for it, and this whether the rate of pay is five or seven and one-half cents per quarter hour. If he were free to determine the length of his working day, he would, of course, work that many quarter hours less. But, as a matter of fact, he is not free to do this. He must either work the regular ten hours or not work at all. He naturally chooses the former, because the total utility of his entire wage (which means for him protection from hunger, etc.), is undoubtedly greater than the total disutility of the entire ten hours of labor.

In this way the disutility of the labor fails to operate as a correct measure, either for the amount of the labor supply or for the quantity of the product. It also fails in the same way as a correct measure for the height of wages and the value of the product. In so far as free competition may prevail in the determination of cost, the value of the product will vary with the wages paid, but it will not vary with the disutility of the labor. A careful examination of the actual facts of life will show that the influence of this disutility or pain of labor only appears in the following special cases :

(a) In the case of those goods that are produced outside of the time devoted to the regular occupation. An instance of this may be found in the making or repairing of tools during leisure time, these tools being intended, not for sale, but for home use. Their cost is the pain or disutility of the

labor devoted to them, and they will be valued according to the amount of this disutility.

(b) This is also true in the case of some regular occupations, in which men produce on their own account as artists and authors. It is also true in the case of industries carried on at home, where men are free to continue or to stop working as they may themselves determine. That the degree of their fatigue will exert an influence upon this determination may be granted.

(c) This is likewise true in those industries in which men voluntarily work overtime and receive special payment for the same. But such overtime is neither general nor fixed. It is a more or less temporary and exceptional arrangement, which only continues during the period of special pressure. Therefore the influence of this case upon the supply of labor and the value of the product is neither deep nor lasting.

(d) Differences in agreeableness or disagreeableness of the various occupations will (unless offset by other conditions) tend to give rise to differences in the rate of wages. Those which involve less than the average laboriousness or unpleasantness, or which have associated with them certain advantages or perquisites will yield a less than normal wage. Occupations of more than the average laboriousness or unpleasantness will, on the other hand, yield a more than normal wage. I must, however, expressly declare, that in these cases the absolute amount of the pain of labor does not determine the absolute amount of the wages. Differences in the disutility or pain of labor can only give rise to variations from a normal wage, and as we shall take occasion to show, this normal wage is determined by an entirely different set of conditions.

The influence of the laboriousness or disagreeableness of the labor is often greatly modified and in some instances is entirely offset by opposite tendencies. In Professor Marshall's "evil paradox" \* we have one of the earliest

\* "Elements," page 275.



recognized facts of our economic experience. This is the fact that unpleasant occupations, unless they demand some rare quality, usually bring in a wage that is not only no higher, but is oftentimes lower, than that paid in more pleasant occupations.

(*e*) Under normal wage I include the wage in all those occupations that do not require any rare or exceptional qualities. This, of course, includes the great mass of all occupations. With this understood, it becomes clear that the disutility of labor has but an indirect, and in one sense crude influence upon the absolute height of the normal wage. It undoubtedly prevents the introduction of an eighteen-hour labor day or even of a fifteen-hour day, but it has not been able to prevent the introduction of a thirteen or fourteen-hour day, as is shown by the history of the condition of the laboring classes. No one would claim that the progress of humanity from a thirteen to an eight-hour labor day has corresponded step for step with a similar progressive movement in the subjective feelings of the laborer. Nor will any one claim that the laborer will find in his wages an exact equivalent or recompense for the pain or disutility of his labor when he works thirteen hours per day. Again, when he works twelve hours per day, and so on for eleven, ten, nine and finally for eight hours per day. It is no nice variation in the point of equilibrium between utility and disutility that determines the length of the working day. It is the changing of the relative strengths of the various social factors that plays the principal part in this determination. This, within certain limits, which we cannot here stop to discuss, it will probably continue to do in the future.

(*f*) Finally the absolute height of the wages of skilled labor is manifestly still more independent of the disutility or pain of such labor. I take it that no economist would urge that this is the element which finally determines the salary of the higher officials, great actors or singers, specially skilled workmen, managers of factories, lawyers, doctors, etc.

These various points taken together certainly justify the assertion made above, viz., that the actual conditions which make possible an equilibrium of wages and pain, or of value and pain (so far as the value of the product is dependent upon the height of the wages), do not obtain in our industrial life. On the contrary, these conditions are only found in a relatively limited number of unimportant and exceptional cases.

This alone would be sufficient to show that in tracing the influence of disutility upon the value of goods, we have quite a different and indeed much narrower trail to follow, than that which leads to the great empirical law of cost. This may be shown in the clearest and most convincing way from several different standpoints, and with this we are brought to the second proposition advanced at the end of the preceding section. First, it may be shown that in many instances the correspondence of the value of goods with their cost, in the sense of the great empirical law of cost, not only does not imply that the value of the goods corresponds to the disutility or pain of labor, but actually excludes this assumption. Excludes it not merely by chance or temporarily, but of necessity and permanently.

In order to avoid needless repetition, we will take an example that is sufficiently comprehensive to include nearly all possible cases. In the production of nearly all wares there comes into play, besides the commoner sorts of labor, some better paid skilled labor. In the making of a common cloth coat, we will have the labor of some skilled cutter, or of a manager with a higher standard of life. Again, in the weaving of the cloth, we find the better paid labor of factory bookkeeper, manager, etc. If we go back to still earlier stages—the manufacture of the machines or looms, the mining or preparation of the steel, etc.—it is clear that the better paid labor of the engineer, foreman and manager will enter into the cost.

Let us now assume that the production of a cloth coat, including all stages, costs three days of common labor at

eighty cents and one day of skilled labor at one dollar and sixty cents. Let us also assume, for the sake of the argument, that the wage of eighty cents is an exact equivalent or recompense for the pain of a day's labor. If the amount of this pain of labor is to figure as the regulator of price, then under the above assumptions, the price of the coat should not exceed three dollars and twenty cents, for the skilled labor of the engineer or bookkeeper is not more painful than that of the common miner or tailor. Hence, if we take the pain as the standard, we cannot reckon the former as greater than the latter. And yet we all know that under the above assumptions, a cloth coat could not, for any long time, be put upon the market for less than four dollars (not including interest). This is manifestly out of proportion with the disutility of the labor. And yet, according to the law of cost, the price of the coat in the long run, and under conditions of free competition, should tend or gravitate toward this disutility.\*

The lack of agreement of the cost, in the sense of the classical law of cost, with the disutility of labor, may be shown by approaching the question from an entirely different point of view. This brings us to an interesting counter test, which, if I am not greatly mistaken, has hitherto entirely escaped the attention of Economists.

We have occasionally remarked that the wages of skilled laborers, as a rule, are determined upon other grounds than the amount of pain which these persons endure. In particular

\* We might compare the coat that cost three days of common labor at eighty cents and one day of skilled labor at one dollar and sixty cents with another coat that cost four days of common labor at eighty cents. If the law of cost is interpreted as meaning the sum of the pain or disutility endured, then these coats should have about the same value. It is manifest, however, that the fulfilling of the law of cost actually demands the opposite of this: that the coats should exchange in the ratio of ten to eight. The empirical law of cost is by no means the same thing as the regulation of price through the disutility of labor, and cannot be so. Or as Professor Green says in a paper on "Pain Cost and Opportunity Cost," "We shall certainly find that the rule of equal values for equal pains is not the law which actually determines exchange ratios."—*Quarterly Journal of Economics*, January, 1904.



cases, it is possible to find a justification for the casuistical assumption which regards utility and disutility as exercising an equal influence, both upon the remuneration of labor and the value of the goods produced. This is just as true as regards the ordinary carpenter or locksmith, as in the case of some famous artist, such as Titian or Van Dyck. In short, it is true of all men who, because of the scarcity of their talents, possess a sort of monopoly in the production of certain goods. How long they will work per day will depend, in part at least, upon the degree of fatigue that they must undergo. This, however, does not give us a fixed limit. How long a great artist will work depends, as in the case of the common laborer, upon several conditions. Among others upon the rate of pay that he can obtain for the product of his more prolonged effort. An artist may not be willing to work overtime to paint a picture, for which he will receive forty dollars. He might, however, not only willingly but gladly prolong his working day if he were offered four thousand dollars for the completed picture.

In short, there is nothing to prevent the producer of a monopoly good from so prolonging his day's labor, and thereby the daily supply of his monopoly ware,\* until the marginal utility, of the money received for the last unit of labor time, is in exact equilibrium with the disutility of this last unit of labor time. It cannot be denied that under such circumstances the disutility exercises a determining or co-determining influence upon the amount of the supply, the height of the marginal utility, and the price of the product. This, too, is done in just the same way as in the illustration given in the last chapter, in which the ware was the product of common labor. At the same time, economists are agreed that such monopoly prices do not come under the classic law

\* It would be easy to find many other and possibly better examples than that of the artist. In his case the artistic impulse is always strongly opposed to the action of the purely economic motives. Possibly the best example would be an inventor. He is in a position to produce a useful object, without any help from others, and is entirely free to determine the length of his working day.

of cost. Here again, as I believe, we are brought to the conclusion, that the disutility which we are investigating is something different from the cost which is operative in the empirical law of cost, and, therefore, that those economists are on the wrong path who think that the occasional agreement of value and disutility may be explained as a manifestation of the great empirical law of cost, and *vice versa*.

This erroneous confounding of two quite different phenomena has been, as it were, in the air of theoretic economics since the time of Adam Smith. The latter, according to the very apt and ingenious observation of Wieser,\* really gives two parallel explanations of the phenomenon of value, viz.: a philosophical explanation, which is especially applicable to primitive conditions; and an empirical explanation, which is better suited to the more fully developed conditions of our present industrial life. Adam Smith also gives us two similarly related explanations of cost. According to the philosophical, he puts the personal pain associated with labor, "the toil and trouble," as the cost which really determines the price of the product. Later, in explaining his famous law of cost, which belongs to the empirical part of his theory of value, he holds that the "natural price" of the product gravitates toward the empirical cost. This, he declares to be wages of labor and interest.† To the mind of Adam Smith, of course, there was no opposition between these two explanations, and accordingly it was impossible to escape the conclusion, that, at least so far as labor is concerned, they really have to do with the same thing. By eliminating the modern economic conditions, as modified by exchange, we get the real kernel of the matter. And this kernel, according to the empirical law of cost, is nothing else than "the toil and trouble" of labor.

The well-known controversy that long monopolized the attention of the classical economists, whether the price of

\* "*Der Natürliche Wert*," Wien, 1889, Preface, p. iii.

† "*Wealth of Nations*," Bk. i., Ch. v. and vii.

goods depends upon the quantity of labor expended, as Ricardo taught, or upon the amount of wages, as Mill correctly suggested, afforded ample opportunity to correct this error. They failed, however, to do so. The old Smithian "toil and trouble" remained in a sort of scientific haziness, until, through Gossen, and especially through Jevons, it was brought to full and clear recognition. Then, for the first time under the name of the "disutility of labor," it was raised to the rank of an elementary economic power, while its counterpart, the utility of the good, was set over against it. The old confusion, however, attached itself to the new names. If I am not greatly mistaken, not only the followers of the old classical school, but also many of the adherents of the newer theory, developed by Jevons, still stand under this ban.

In the case of Professor Macvane, the confusion is quite pronounced, as when he explains the cost of the classical law of cost as "pain of labor and fatigue of muscles."\* Professor Edgeworth takes substantially the same position when he occasionally explains the "disutility" in terms of "cost and sacrifice."† Or when he sets first utility and cost,‡ and again, utility and disutility over against one another.§ Again, when he indulges in a polemic against the Austrian school of economists, and urges that they have neglected the great Ricardian law of cost and stripped it of its significance, and that they have not properly recognized the function of disutility in the determination of the economic equilibrium and the value of goods.|| Professor Marshall, as it seems to me, also becomes involved, to some degree, in this confusion. While Ricardo held that cost of production, and Jevons held that marginal utility was the determinant of value, Marshall holds that both enter

\* "Marginal Utility and Value," pp. 262, 269.

† *Economic Journal*, June, 1892, p. 334.

‡ *Ibid.*, p. 335.

§ *Ibid.*, p. 337.

|| *Ibid.*, *passim*, especially p. 334.



into the determination of value, and that, like the two blades of a pair of shears, they are co-equal factors in this determination. Nor does he assume this position in any tentative way, but rather holds that he has found the solution for a problem long in dispute.\*

No matter who is responsible for this confounding of the cost of the empirical law of cost with the disutility of labor, the fact remains that the confusion does exist. In order to distinguish as sharply as possible between the two principles referred to, I may remark that there is a rule which may be called the law of disutility, according to which the value of all goods that come under its influence tend to be in equilibrium with the amount of the pain involved in their production. But this is far from being the same as the great empirical law of cost. It depends upon quite different assumptions, and upon the play of other and intermediate motives. Finally, it has a different and much smaller field of operation. On the one side, it includes but a small part of the territory covered by the empirical law of cost, and on the other, it includes a certain portion of territory which is not covered by the law of cost.

This somewhat minute and pedantic, though none the less necessary, examination of the famous law of cost leads us to the following conclusion. The law of cost, as applied to the actual facts of our economic life, is susceptible of verification, in the sense that the synchronously reckoned cost, or the sum of the values of goods expended in production, coincides with the price of the product. Again, under the assumption that this synchronously reckoned cost can all be resolved historically into labor, it is possible to verify the proposition that the price of the product is determined by the sum of the labor expended, measured in terms of the *value* of this labor. But the law of cost is certainly *not* true in the sense that the price of those goods which are within

\*"Principles," note on Ricardo's Theory of Cost in Relation to Value, Bk. vi., Ch. vi.

the domain of the law of cost is determined by the amount of the pain involved in their production.

## V.

## THE LAW OF COST AND THE VALUE OF LABOR.

I would now ask, and my colleagues of the Austrian school ask with me, what advance have we made toward a solution of our problem. Even though it be shown by means of the famous law of cost, that the value of freely reproducible goods may be resolved into the value of their means of production, or into the value of the most ultimate or elementary factor in production, *i. e.*, labor, we still must ask, what progress has been made in explaining the value of goods?

Manifestly this translation of the value of goods into the value of the means of production, does not give us the final solution for our problem, for we must still further inquire, how we are to determine the value of these means of production; or if we regard the means of production as resolvable historically into the labor previously expended, how are we to determine the value of this labor?

Let us proceed immediately to the consideration of the second half of our question. This will bring us at once to the root of the problem. For the sake of clearness I will accept as the basis of the argument the doctrines proposed by those who are in opposition to me in this matter.

In Professor Marshall's most admirable book which may fairly be taken as representative of the present status of economic theory in England, may be found several answers to the question: What determines the value of labor? In one place, he teaches that "free competition tends in the direction of making each man's wages equal to the *net product* of his own labor; by which is meant, the value of the produce which he takes part in producing, after deducting all the other expenses of producing it."\* He also holds, that "the

\* "Elements," Bk. vi., Ch. ii., § 2, and corresponding place in "Principles."

wages of every class of labor tend to be equal to the net produce due to the additional labor of the marginal laborer of that class. It may be remarked, that in obtaining the value of labor out of the value of the product of labor, one is in entire harmony with the conceptions of the Austrian school. What effect this has upon the law of cost will appear later on in the discussion.

In another place\* Professor Marshall gives us quite a different standard for determining the value of labor. He holds, that in the case of every agent of production: "there is a constant tendency toward a position of normal equilibrium, in which the supply of each of these agents shall stand in such a relation to the demand for its services, as to give to those who have provided the supply a sufficient reward for their efforts and sacrifices. If the economic condition of the country remain stationary sufficiently long this tendency would realize itself in such an adjustment of supply to demand, that both machines and human beings would earn generally an amount that corresponds fairly with their cost of production."

I am not quite sure how wide an application Professor Marshall would give to this statement. This much, however, is clear, he would apply the distinction of the classical school, between the rapidly fluctuating "market price" and the "normal value" which is based upon cost, to the commodity—labor. In the passage just cited he manifestly wishes to indicate the standard according to which the normal or long period position of wages is finally determined. But as it appears to me, he is not quite clear whether he would make the efforts and sacrifices of the laborer the ultimate standard (as his expression, "sufficient . . . for their efforts and sacrifices," would seem to indicate), or whether he would take the cost of rearing and maintaining human beings as the standard (as the expression "amount that corresponds fairly with the cost of production of human

\* "Elements," Bk. vi., Ch. v., § 4, and corresponding place in "Principles."



beings") would imply. Doubt may also arise whether it is his opinion that the *absolute height of wages* tends to an equilibrium with the "efforts" or "cost of production of human beings," or that the differences in wages to which these give rise are but variations from an average level, the absolute height of wages being determined by other considerations.

If this last is Professor Marshall's opinion, then I am in entire agreement with him in his conception of the value of labor. That differences in the pain of labor tend to bring about corresponding differences in wages, I have already admitted.\* The same influence, and for quite analogous reasons, may be exercised by differences in the cost of producing human beings.

If, however, the expression is to be interpreted in the wider sense, that the absolute height of wages is finally determined by the pain of labor, or by the cost of producing human beings, then, as it seems to me, Professor Marshall has taken a position which cannot be maintained. This, so far as the pain of labor is concerned, I have endeavored to show in a previous chapter. In regard to the cost of producing human beings, a twofold objection suggests itself: First, this statement is hardly verified by experience, for modern economists are quite generally agreed that the "iron law of wages" cannot be interpreted as meaning that the necessary cost of maintenance is a fixed, definite amount, toward which the wages of labor must in the long run tend. On the contrary, they are agreed that the wages of labor may permanently exceed that amount, which hitherto has been regarded as the amount of the necessary cost of maintenance. And when this excess of the wages of labor above the cost of maintenance does disappear, it is really due to the fact, that the better conditioned laboring population have so accustomed themselves to the higher standard of life, that much that before was a luxury is now a necessity. In

\* See above, p. 24.

an agreement between cost of maintenance and wages of labor obtained in this way it can hardly be said that the cost of maintenance is the determining, and the wages of labor the determined element.

Second, this last explanation is not satisfactory because it simply leads us around in a circle. According to this law of cost, the price of the means of maintaining the laborer (as bread, meat, shoes, coats, etc.), is to be explained by the value and price of the labor expended in the production of these commodities. If we start with this proposition, we can hardly continue, and say that the price of the labor is to be resolved into the cost or price of the means of maintaining the laborer. I have elsewhere dwelt upon the unsatisfactory nature of this explanation,\* and so need not elaborate upon it at this point. Nor have I any ground for thinking that Professor Marshall and the other moderate representatives of the modern English school would accept the "iron law of wages" in any literal sense, with all the theoretic and practical consequences which this would involve.

Under these circumstances I do not believe it is possible to give a scientific explanation of the absolute height of wages, without some reference to that standard upon which, in the first of the above quoted statements, Professor Marshall seems inclined to base the market or demand price of labor. This is the marginal utility of the labor, or, otherwise stated, the value of the product of the last or marginal laborer. This explanation must, however, be supplemented in many and in part important details, by reference to the influence of the painfulness of labor and the cost of maintenance, though these can never entirely replace the above explanation. Even though for scientific purposes we were permitted to neglect the periods of short and moderate length, we could not explain those long periods to which we had limited ourselves without reference to other elements,

\* In a paper, replying to Dietzel, on "*Wert, Kosten und Grenznutzen*," in Conrad's *Jahrbücher*, third series, book iii, p. 332.

besides the painfulness of labor and the cost of maintenance.

But we are not permitted, even for scientific purposes, to neglect these short and moderate length periods. On the contrary, any serviceable explanation of the value of wares, which could be included under the law of cost, must be based, clearly and distinctly, upon the actual rates of wages during the periods under consideration, periods which are really long, though they may seem relatively short. The important point is that wages during these periods still come under the influence of that determinant, to which Professor Marshall refers as the "demand price for labor."

This point is just as important as it is simple. In order to convince ourselves of its truth, we need only keep clearly in mind what it is, that the law of cost really accomplishes, in relation to the price of goods, and how this result is brought about. The typical effect of the law of cost is to change the chance and uncertain fluctuations which the price of goods undergoes, into a regular oscillating motion like that of a pendulum. In this motion the price always tends to return to the cost as to an ideal resting-place. Though the price seldom remains for any long time at this point, yet in a general way this might be called the normal position about which the price oscillates.

The wonderfully simple mechanism by which the law of cost brings about this result is as familiar as the law itself. It rests upon the very simple motive of self-interest. If in any branch of production the price sinks below the cost, or in other words, if the market price of the product is lower than the value of the means of production, men will withdraw from that branch and engage in some better paying branch of production. Conversely, if in one branch of production, the market price of the finished good is considerably higher than the value of the sacrificed or expended means of production, then will men be drawn from less profitable industries. They will press into the better paying branch of



production, until through the increased supply, the price is again forced down to cost.

The law of cost operates, therefore, by changing the occupation of the productive power.\* So long as the price tends to cause a change in the occupation of the productive power, it is itself not in a state of equilibrium. On the other hand, a condition of at least relatively stable equilibrium will be attained when in the different branches of production the price has so adjusted itself that the productive power does not tend to change its occupation. This would be the case, when, in all kinds of employment, equal labor received equal pay and unequal labor received proportionately unequal pay. Then the differences in pay could be regarded as a just equivalent for the special laboriousness or disagreeableness, or for the special skill or fidelity, etc., incident to certain occupations. Equal capital would everywhere receive the same rate of interest. Any excess above this could be regarded as a just equivalent for the greater risk, etc., incurred in that particular investment. We may, for example, assume that this point of equilibrium is reached, when in all branches of production the wages of an unskilled laborer are eighty cents, and the rate of interest on capital is five per cent.

Under this supposition the normal price, toward which according to the law of cost the market price gravitates, should be such as would correspond with an average wage of eighty cents, and a rate of interest of five per cent. The price of a commodity that costs three days of common labor would, according to the law of cost, gravitate toward two dollars and forty cents (interest being ignored). This would be true, whether or not this equalized rate of pay of eighty cents corresponded to the minimum of existence. It may be

\*The change of occupation is not always brought about by individuals abandoning the occupations in which they are engaged. When in any branch of employment the decrease from death, etc., is not offset by the number entering the same, we have a change of occupation. Those who make up the difference have gone into other lines. Though operating more slowly, the effect of this is the same as if individuals made a direct change.

that when the minimum of existence is only forty cents, the rate of wages will not remain at eighty cents. A generation later it may sink to sixty cents, or even to fifty cents. While this would show that there is no fixed and absolute normal price,\* it does not alter the fact that at the present time the price of the commodity, according to the law of cost, gravitates toward that price, which would give the laborer a wage of eighty cents. When we examine this gravitating motion more closely, it is manifest that we cannot say that "the price gravitates toward the rate of eighty cents," because the laborer's cost of maintenance is forty cents. Instead we must say, that the price gravitates toward the rate of eighty cents, because the rate of wages which obtains throughout the whole field of employment is eighty cents. In other words, in explaining the oscillating motion of prices, according to the law of cost, we cannot avoid assuming as a basis, a certain average or normal rate of wages as the prevailing rate for the period under consideration.

We will now repeat the question which was asked in the beginning of this chapter, a question which must be asked

\* Professor Marshall has very correctly remarked that the use of the term normal is more or less arbitrary. A price which we would call normal, when we have in mind a period of a certain length, we would not call normal when considering a longer period ("Principles," Bk. vii., Ch. vi., § 4). Otherwise I would certainly insist that the real law of cost has to do with no longer period than is sufficient to allow the adjustment of the price of the ware to the equalized position of wages (and interest); the wider adjustment of the wages of labor to the cost of maintaining the laborer, which under certain circumstances might require a still longer period of time, is an entirely different problem. So far as this can be further maintained as a general law, it is in no sense an effect of the real law of cost, but should be regarded as the effect of another law—a law which has no actual connection with the real law of cost. It depends upon the action of quite different forces and in its results has but an external or non-essential similarity, which has led to the unqualified evil of confounding these two laws. The impelling motive of that law of cost, which really influences the price of wares, is usually a shrewd estimating of economic conditions, the striving for the greatest possible utility and the avoidance of harm. The motive of a pretended iron law of wages is on the one side the irresistibility of sexual desire, and on the other the great mortality which results from insufficient food. But the effects of such natural forces can no more be credited to the vulgar economical law of cost than the aggregation of a great number of men in large cities can be credited to the law of gravitation, which of course, because of a similar play upon external analogies, has already been maintained by Carey.

if our explanation is to maintain a logical and coherent form: Upon what does this average or normal rate of wages, prevailing at any given time, depend?

We have already answered this question, or rather Professor Marshall has answered it, in the first of his explanations of the rate wages already quoted. In this he has declared, and we must perforce agree with him, that the price of a day's labor depends upon the value of the pure product of a day's labor. Or more correctly, upon the value of the product of the last employed laborer, in Professor Marshall's example the "marginal shepherds."\*

✓ This answer brings the whole doctrine of the law of cost to its final test. Upon the one side, this analysis of cost practically abandons the attempt to show that disutility is the essential element of cost. On the other side, the expression "value of the products of labor," makes manifest that we have not yet obtained the ultimate element, and that the analysis must be continued still further. Finally, the explanation seems even more than before to continue in a circle. In the name of the law of cost we explain the value of the product by the value of the labor expended in its production, and then explain the value of this labor by the value of the product.

There is manifestly a great discrepancy somewhere in this explanation. A discrepancy which the Austrian economists endeavor to avoid by a special interpretation of the law of cost.† Their efforts, of course, will not receive much encouragement from those writers who do not recognize the existence of this discrepancy. This includes the great

\* I would not fail to mention that the position of wages which corresponds to or equals the "net product of the last employed laborer" is, according to Professor Marshall's views, in no sense a temporary market price, but a sort of "long period price," which requires for its development a more or less prolonged leveling process. It is a sort of centre of gravity for the oscillations of the supply and demand of labor.

† In this attempt Wieser has taken a prominent part. Compare his "*Ursprung und Hauptgesetze des Wirtschaftlichen Wertes*," 1884, page 139; and "*Der natürliche Wert*," 1889, page 164. Compare also the excellent résumé by Smart, in the editor's preface to the English edition of the last named work. London, 1893, p. xix.



majority of those who hold, wittingly or unwittingly, that the explanation of the value of goods in accordance with the law of cost is firmly anchored upon the elementary factor, "disutility." That this is not the case, I have endeavored to show; and I will now attempt to bridge the gap in the explanation of value, which my investigation has revealed. On the one hand it is held, that in numerous cases the price of the product, according to the law of cost, oscillates about some normal rate of wages, which rate does not correspond either to the "disutility" of labor or the cost of maintaining the laborer. On the other hand, Professor Marshall, in common with many other English and American economists, admits that the normal rate of wages is adjusted according to the value of the product of the last employed laborer.

## VI.

## WHAT THE LAW OF COST REALLY MEANS. FINAL RESULT.

The existing productive powers, inclusive of the most original and important of all—labor—seek employment in the various opportunities for production that present themselves. Naturally, of course, they first engage in those branches of production that are most profitable. But as these are not sufficient to give employment to the whole productive power, some of this power must engage in successively less productive occupations, until finally all of it is employed. This gradual extension to less profitable occupations may be seen in the production at one and the same time, of more valuable goods, and of others, which from the very beginning were less valuable, because the demand for them was less urgent. But the important case of this gradual extension to less profitable employments is found elsewhere. In any branch of production which hitherto has been very profitable, the amount produced tends to increase. Hence, according to well known principles, we are compelled to market the increased product at a diminished price.

The demand arranges itself in strata that vary with the desire and purchasing power of the consumers. Let us assume that of a certain kind of commodity, thirty thousand pieces are produced by one hundred laborers with an outlay in labor of one day out of the three hundred working days in the year. Let us further assume that these are marketed at the price of eighty cents each. There will then be among the purchasers possibly one thousand to whom eight dollars per piece would not have been too dear, either because it satisfied some pressing want, or because their great wealth makes the value of the monetary unit exceptionally low in their estimation. Then come perhaps, five thousand more purchasers who, in case it is necessary, are prepared to pay two dollars. Another six thousand, who, in an extreme case, would pay one dollar and sixty cents. Another six thousand who would pay only one dollar and twenty cents. Again, another six thousand who, at most, will pay only one dollar, and finally, the last six thousand who are prepared to pay only eighty cents. Below these comes, perhaps, another group of six thousand who would be willing to pay sixty cents, but for whom the prevailing market price of eighty cents is too high, and who, therefore, must decline to purchase.

Assuming the conditions of this example, a product of thirty thousand pieces corresponds to a market price of eighty cents. But manifestly, if the productive power were less; if, for instance, the number of laborers was only eighty and the amount produced only twenty-four thousand pieces, the market price at which the whole product would be sold might be one dollar. It is equally clear that with one hundred and twenty laborers and a product of thirty-six thousand pieces, the market price might not exceed sixty cents. In other words, the value of the product of one laborer when eighty laborers are employed, would be one dollar; when one hundred are employed, eighty cents, and when one hundred and twenty are employed, sixty cents. In the same way,

the market for the product of every additional laborer above one hundred and twenty must be found at a still lower point in the demand scale. Or at any given time there is a group of the least capable or willing buyers that corresponds to the last employed group of laborers. The valuation of this group of buyers determines, in the first instance, the value of the product of the last group of workers; and through this, since at the same time and in the same market, there can be but one price for the same product, the value of the product of every laborer in this branch of production.\*

It even goes further than this, and determines the wages of the laborer. On the one side, no entrepreneur will, for any long period, pay his laborers more than he can obtain for the product of their labor. The value of the product will, therefore, be the upper limit of the rate of wages. Again, under conditions of free competition, he will not for any long time pay them less, for so long as the market price is in excess of the cost of production,† the entre-

\* Professor Marshall, in his example of the marginal shepherd, has made a very useful application of this concept of the last employed labor, though in a somewhat different direction. The increase of product which results, when, without increasing the capital, we employ an additional laborer, he conceives to be the answer to the question, How much of the total product may be regarded as the product of labor, as opposed to product of capital? Professor Marshall also allows the last employed laborer to play a part in the question of the relation between the laborer and the capitalist, or in the question of the division of the price of their products; I, on the other hand, do not allow the last employed laborer to play any part in the question of the relation between laborer and consumer, or in the question of the determination of the height of the price of the product. Nevertheless, I believe there is no material difference in our positions. The truth is, that the "last employed laborer" in both cases plays the rôle ascribed to him. But since I have expressly excluded all factors of production except labor (see above page), there was no occasion for me to speak further of the division of the product between the laborer and the capitalist. In my book on "Capital," I have given special attention to this question. In our present discussion, we would not insist upon every point involved in that abstraction. (See page 11.)

† I beg the reader not to forget that in this investigation we ignore all factors of production except labor, especially the so-called abstinence. If we did not do so, we would somewhat complicate our example. Besides the cost of labor, we would have to take account of the cost of abstinence, must then subtract this latter from the market price. Then all conclusions, which we have here developed for the relation between the total market price of the product to the wages of labor, would have to be developed, for the relation of the market price of the product, diminished by the other costs of production, to the wages of labor.



preneur obtains a profit; but he or his competitors will be tempted by this to increase their production, and so to employ more laborers, until the difference between the valuation of the last buyer and the wages of the last laborer disappears.

The same forces, which, in every branch of production, tend to fill the gap between the value of the product of the last employed laborer, and the rate of pay in this branch of production, tend also to fill another gap. Under conditions of perfectly free competition, there cannot, in the long run, be any serious difference in prices or wages in those branches of production, that are in free communication with one another. In the long run, the product of a day's labor and the labor itself cannot have a value of one dollar and twenty cents in the woolen industry, for instance, and only forty cents in the cotton industry. This would immediately give rise to a tendency in the productive forces to change their occupation, a tendency which would continue to operate until both of these branches of production, together with all others in communication with them, had been brought into a condition of equilibrium.

But where will this point of equilibrium be? This must be decided within that general field of employment which includes all the freely communicating branches of production; and it must be decided upon the same grounds or reasons which we have found to be effective for a single branch of production. There is a total or aggregate demand for all the products of labor. This is as limitless as our desire for well being, for enjoyment or for the possession of goods, and is graduated according to the intensity of this desire. If our desire for any product is very intense, and our means of payment abundant, then to us the marginal utility of the product will be high, while the marginal utility of money will be low. In other words, we will be willing to pay a higher price for this product than we would if our desire for it or our ability to pay for it were less.

Hence, in the general, as in any special field of production, there may be several strata of demand. There may be one which in an extreme case would be willing to pay eight dollars for the product of a day's labor. Another might be willing to give two dollars, while others would find their limit at one dollar and sixty cents, one dollar and twenty cents, at one dollar, and at eighty cents. There may remain still others who desire to purchase, but whose wants are not sufficiently pressing or whose purchasing power is so limited that they either will not or cannot pay more than fifty, forty or twenty cents, and even less, for the satisfaction of that want to which the product of a day's labor would be devoted.

To meet this practically unlimited demand we have a labor power which in comparison with this demand is always limited. It is never sufficient to satisfy all our desire; if it was we would be in paradise; we must, therefore, always choose which of our desires we will gratify. Under the influence of self-interest we will satisfy them according to the height or amount of the fee which we are willing to pay for their satisfaction. That stratum of the demand which is prepared to pay eight dollars for a day's labor will not suffer any inconvenience for lack of the desired commodity. So, too, that stratum of the demand which is willing to pay two dollars will not suffer any inconvenience. Nor will those suffer that are prepared to pay one dollar and sixty cents, one dollar and twenty cents, one dollar, etc. But the point must finally be reached where such satisfaction cannot be obtained. This point will, of course, vary with the circumstances or conditions of particular lands or times. Here eighty cents, there sixty cents, and elsewhere forty or even twenty cents, but such a point will always and everywhere be found. Let us assume a concrete case in which this point is at eighty cents. The existing productive power is here fully employed in the satisfying of those wants, for whose satisfaction we are willing and able to pay eighty cents for a day of common labor. In this case the stratum

of the demand whose valuation is eighty cents is the last stratum for the satisfaction of whose desires the last laborer is active.\* It is the valuation of this stratum which determines both the value of the product and the wages of labor. All those desires for whose satisfaction we are either unwilling or unable to pay at least eighty cents must remain unsatisfied. This on the one hand will affect some of the unimportant needs or desires of the well-to-do class, on the other, alas, it will affect many of the more important needs of those whose means are limited, whose entire purchasing power has been exhausted in providing for still more pressing wants.

Let us now assume that, under otherwise unchanged conditions, there is an increase in the number of laborers entering into the problem, say through the sudden abolition of the standing army, or through a great influx of laborers from other lands. The additional laborers must and will find employment in providing for a still lower and hitherto unsatisfied stratum of the demand, that stratum, for instance, whose valuation is only seventy cents. This stratum is now the lowest for which the last laborer is active, and its valuation determines both the value of the product and the wages of labor.†

\* The fact that there are always a number of laborers out of employment tells in no way against my contention; it is a result, not of an excess of labor force, but of those never-failing disturbances of the organization of the entire, yet insufficient, supply of the labor forces.

† For the sake of the critical reader I would here remark that I am well aware that if we assume an increase in the labor forces we cannot at the same time assume that the other conditions remain entirely unchanged. The increase in product which results from an increase in the number of laborers will also bring with it an increase in the purchasing power or in the demand. But if, as in the text, we assume that with an unchanged condition of capital and land, the labor alone is increased, the increase in the demand for labor and the products of labor would not be strong enough to completely compensate the increase in the supply of labor, for the increase in product thus obtained cannot be wholly applied to the indemnification of labor, some fractional part of it must be given as tribute to the other co-operating factors in production, Capital and Land, for these factors have, under our supposition, become relatively scarcer than the factor, Labor, and so are in a position to insist on the payment of this tribute. It results from this, that this increased product of labor can no longer be taken up by that stratum of demand,



What, under these conditions (the statement of which I hope will meet the approval of my honored English and American colleagues), is the rôle played by the law of costs? An exceedingly simple one. It guarantees that the existing productive power shall be directed to the satisfaction of the existing needs, according to the height of the fee which they are able and willing to pay. It brings about for the productive power in an indirect way, just what occurs in the case of the finished product in a direct way, upon every open market the supply of the finished product goes as far as it will reach to the best paying of those who desire to purchase. The market price of the same ware, on the same market, at the same time, is uniform. This fixes, very clearly and definitely, the boundary between those who are willing and able to purchase at that price, and those who are willing to do so but not able. If, for instance, the market price is eighty cents, then all those to whom the money marginal utility (*Geldgrenznutzen*) of the commodity is eighty cents, or more, will provide themselves with the commodity, all those to whom the money marginal utility of the commodity is less than eighty cents must deny themselves this commodity. No one will intentionally reduce the price of his commodity, to those who are willing and able to pay one dollar and twenty cents, in order to favor those who will or can pay only forty cents.

This same function is performed for the productive power by the law of cost. The latter does not meet the consumers and their needs directly; it does not come in contact with them upon a common market; but it reaches the public through the money price which the public puts upon the

which can pay eighty cents, but must find its market in a deeper, though it may be only a little deeper, stratum of the demand. I would also remark, that the question touched upon in this note is a most difficult and complicated one,—it contains, perhaps, the most difficult part of the difficult theory of wages,—and that I do not for a moment think that I have exhausted the subject with these rather brief, and I fear somewhat obscure remarks. I would only call attention to the fact that I have not lost sight of a difficulty, the complete exposition of which would lead us too far afield.

finished product. This competition (*Werben*) is extended over as many parts of the general market as there are different kinds of products. But this competition, though widely diffused and indirect, eventually results in the establishing of a certain market price for the productive power. This market price of the productive power appears in each single branch of production as the cost of the same. It operates like a speaking trumpet through which the supply price in other and distant parts of the general market is made audible in the part where we are situated. Those interested in one part are notified of the conditions which obtain in the general market and are thus enabled to govern their actions according to these more general conditions.

Let us now return to our example. We will assume that, in the general field of production or employment, the market price of the product of a day of common labor, and thus the wages for a day of such labor is eighty cents. We will also assume that in some special departments, as cotton manufacturing, because of some unfavorable combination, the value of the product of a day's labor has fallen to sixty cents, while at the same time, the wages of labor being eighty cents, the cost of production is eighty cents. What is the meaning and effect of this rate of cost of eighty cents? It does not mean that the laborer cannot live on less than eighty cents; or that the labor involves a degree of disutility which he will not endure for less than eighty cents. It means, and that quite clearly, that there are enough people in the world who will give eighty cents for a day's labor, or for the product of the same, to keep all the productive power active, and therefore that it would be foolish to ignore this offer, and employ the productive power in the service of people who are able and willing to pay only sixty cents for a day's work.

Let us now assume, that in the woolen industry the product of a day's labor, through some favorable combination, is worth one dollar and twenty cents, while the cost is only

eighty cents. This is clearly nothing else than advice to those interested, that in the general field of employment a day's labor cannot obtain more than eighty cents, and therefore that it is wise to listen to the favorable offer that we have been ignoring, namely, the offer of those people who are willing and able to pay for the product of a day's labor in the woolen industry, not indeed all of one dollar and twenty cents, but something more than eighty cents. This advice bears fruit through the action of the watchful self-interest of the entrepreneurs. In obedience to the law of cost it levels the abnormal prices of sixty cents and one dollar and twenty cents, that prevail in different parts of the general market, to the normal price of eighty cents. This means nothing more than the bringing about of that disposition of the productive power, which insures that the best paying wants shall always be satisfied first. At the outset, according to our illustration, those needs whose money marginal utility was eighty cents and sixty cents were satisfied, while those whose money marginal utility was between eighty cents and one dollar and twenty cents remained unsatisfied. Eventually a readjustment is effected so that everywhere and in all branches of production, the productive power is employed in the service of the best paying wants. This takes place successively from the highest down to those whose money marginal utility is eighty cents. We may conclude then, that in this and in all similar cases the law of cost has no other function than to bring all products of equal origin into line with each other. The self-evident proposition that the same product, on the same market, at the same time, must have the same value or price, is extended by the law of cost a step further, and gives us the proposition that products of like origin must have the same value or price. But how high this value or price will be, neither proposition informs us. The self-evident proposition, that one bushel of wheat has the same value as another similar bushel of wheat—gives me no starting point from



which I can determine the value of both bushels. In the same way, in the cases described, the law of cost gives me no starting point from which I can determine the absolute height of the price line; to which, according to that law, the price of all products of equal origin are brought. When we take a certain limited view of the question we do seem to get an answer. As when we confine ourselves to a single branch of production and think of the amount of the cost as something that we determine independently of our problem. But we might just as well argue, in the case of our two bushels of wheat, that according to our proposition, one of these bushels has just the same value as the other. We also *know* that number one is worth one dollar, therefore, according to our proposition, number two is worth one dollar. But the value of number one is just as much a subject for investigation as the value of number two, and hence, our answer does not give us the value of either. This is true of the height of the cost in every branch of production. We must, in every case, go back of the apparent answers until we find the real answer. In the case of the two bushels of wheat this answer lies close at hand, but in the case of costs in general, we must survey the whole field of production and finally find our answer in the following elementary proposition:

*There is a certain limited quantity of productive power which at any given time, under the conditions set by the technical development of that time, can bring forth only a certain limited quantity of products. These products, through the action of certain leveling influences in the different branches of production, are disposed of in a regular order of succession, in each case, to the best paying purchaser. The satisfaction extends downward in the scale of wants until a certain equalization to the (money) marginal cost of production is attained, and it is this which decides the value of all goods that come under the dominion of that leveling influence. It determines the value of the products as well as the value of the productive power, which is represented by the cost.*

The representatives of the English theory have chosen the figure of the two blades of a pair of shears, in order to show the opposition between the English and Austrian conception of the law of cost. I gladly follow them in the use of this figure but with the conviction that the interpretation which my English colleagues have given to it, must be supplemented as follows:

In the case of freely reproducible goods, it is undoubtedly true that the price is fixed at that point where the money marginal utility of the commodity to those desiring to purchase it crosses the line of the costs. In our example, the last purchaser of wool will be the one whose valuation will correspond with the amount of the cost, or with eighty cents. In this case it is entirely correct to say that utility (relative marginal utility for those desiring to purchase) and cost operate together in the determination of price, like the two blades of a pair of shears.

But now follows the unavoidable question: What determines the amount of this cost? The amount of the cost is identical with the value of the productive power, and, as a rule, is determined by the money marginal utility of this productive power. This, of course, has reference to the existing conditions of the demand for and supply of this productive power in the various branches of production. If in the above formula we substitute for "cost" this explanation of cost, we would have the following: "The price of a definite species of freely reproducible goods fixes itself in the long run at that point where the money marginal utility, for those who desire to purchase these products, intersects the money marginal utility of all those who desire to purchase in the other communicating branches of production."

The figure of the two blades of a pair of shears still holds good. One of the two blades, whose coming together determines the height of the price of any species of product, is in truth the marginal utility of this particular product. The other, which we are wont to call "cost," is the marginal

utility of the products of other communicating branches of production. Or, according to Wieser, the marginal utility of "production related goods" (*produktionsverwandten Güter*). It is, therefore, utility and not disutility which, as well on the side of supply as of demand, determines the height of the price. This, too, even where the so-called law of cost plays its rôle in giving value to goods. Jevons, therefore, did not exaggerate the importance of the one side, but came very near the truth when he said "value depends entirely upon utility."

Almost, but not quite entirely, for as I have endeavored to show, and as Jevons well knew, disutility plays a certain part in the determination of value. A part, however, which, in our actual economical conditions, is quantitatively unimportant. It occurs in full force only, in the case of the few and unimportant products of our leisure hours. For the great mass of products which are the outcome of our regular occupation, this disutility either does not appear, or is only a very weak and remote element in the complex standard that determines the "height of the cost."\* If we were to put this roughly into figures, we might say that the ten parts of that blade which represents the demand consist entirely of *utility*, while of the blade which represents the "cost," nine parts are utility and only one part disutility. On the whole then value depends nineteen-twentieths on utility, and only one-twentieth on disutility.

We must now consider a circumstance, which thus far in our argument we have intentionally ignored. Up to this point we have confined ourselves to those conceptions of the law of cost which come nearest to harmonizing with those of our opponents, namely, those which declare that there is a correspondence between the price and the historically reckoned cost, *i. e.*, the cost elements, labor and abstinence. It was only in this way that we could eliminate all those intermediate members, raw material, wear and tear of tools, etc.,

\* See above page 24.



which in practice appear as part of the cost, and in common with most of our opponents, speak of labor and abstinence as the determining factors of cost.

We must not, however, forget that there is a second sense, in which the law of cost is susceptible of empirical demonstration, namely, the sense in which the law of cost asserts a correspondence between the price and the synchronously reckoned money cost of the entrepreneur.\* When we carefully consider the historical and synchronous method of reckoning cost in their relations to each other, it is manifest, that while there is some connection between them, yet they are not entirely the same, either in their content or in the extent of their sway. The correspondence of the price with the historically reckoned cost involves the satisfying of much more severe and unusual conditions. The leveling feature, upon which both rules rest, must here operate unhindered through the whole of the complex system of production, down to the last elementary root. On the other hand, the gravitation of the price, toward the synchronously reckoned money cost of any particular stage of production, merely assumes that the leveling influence has free sway in this part of the productive process. The gravitation toward the synchronously reckoned cost is to a certain degree more readily satisfied. For this reason it is more frequently operative, and hence there is a wide district, subject to its sway, which is not subject to the sway of the historically reckoned cost.

There are numerous instances in which the synchronously reckoned cost of a single stage of production is effective in determining the price of the product, although there may be no correspondence between the price and the historically reckoned cost. This may be due to the fact that the leveling influence may be temporarily inoperative through all stages of production, or though free for part of the distance, it may at some point be permanently hindered by some kind of a monopoly.

\* See above page 15.

Let us illustrate this by an example. The production of one hundred weight of copper costs at a given time ten days of historically reckoned labor at eighty cents a day or eight dollars. This, of course, enters into the cost of all copper goods, and therefore into the price of copper wire, copper kettles, copper pans, etc. Now, because of a strong demand for electric wire the hundred weight of copper advances in price from eight to twelve dollars, nothing is more certain than that the coppersmith, the money cost of his material having risen, will advance the price of copper wire, etc. A copper kettle which weighs one hundred pounds and the production of which involved an expense of six dollars, had in the past a total cost of fourteen dollars; it now has an additional cost of four dollars and so must bring at least eighteen dollars, and this quite independently of the question, whether or not the historically reckoned cost of production has changed; whether ten or any other number of days of labor have been expended in its production; or whether we pay eighty cents or any other amount for a day's labor.

The fate of the "historically" reckoned cost will likewise depend upon a variety of considerations; difficulty may be encountered in producing the additional amount of copper which is necessary to supply the increased demand. It may be necessary to employ more miners, in which case it is quite probable that the wages of the miners will advance. Or, perhaps, though we can obtain a sufficient force of miners at eighty cents, it may be necessary to work poorer veins, in which a hundred weight of copper will cost not ten but twelve days' labor. In both cases the advance which first appeared in the money cost of a later stage of production, will be gradually transmitted, in a greater or less degree, to the elementary labor cost of the earlier stages of production. Finally, it is possible that we may be able to supply this increased demand for copper without any additional cost, or at the old rate of ten days of eighty cent labor to every hundred pounds of copper. In this case the increased

demand for copper will eventually be satisfied at this rate of cost. The price of the copper, as well as that of the copper goods, will then have a corresponding return motion until it reaches the original price of eight dollars.

But in either event, it still remains true that the price of copper goods may be determined, at least temporarily, by other conditions than their historically reckoned cost. In practice numberless instances of this kind arise. Even though in the long run the elementary "historical" cost plays an important part, yet time is necessary for its influence to be felt through the whole of our complicated system of production. During this time the stages not yet effected by this leveling influence will follow the lead of their special "synchronous" cost.

Let us now take a few examples, in which this leveling influence is free to operate over a limited area of the process of production, and then at a certain point becomes permanently inoperative.

Take a chemical product, which we will assume to be sold at any given time, at its actual cost of production, say eight dollars. Let us further assume that some discovery is made by which the cost of this material is reduced to four dollars, and that the discoverer patents the process and allows others to use it for a fee of two dollars. The price of this product will now permanently adjust itself to a money cost of six dollars, which exceeds the elementary cost of four dollars by the amount of the patent fee or royalty of two dollars.

Let us take another case, and assume that a hundred-weight of coffee, when admitted into a country free of duty, will sell at a price which is just sufficient to cover its cost of production, which we will assume to be sixty-five dollars. Let it now be subjected to an import duty of fifteen dollars. The price must, of course, be high enough to cover this additional cost, and, therefore, will rise to eighty dollars, an amount which exceeds the elementary cost by fifteen dollars.



Here we have two typical examples of price variations, which will be found to include nearly the entire field of price phenomena, for there are at the present time very few products in which some patented machine or process, or some import duty on raw or auxiliary material does not play a part.

It is now time to ask: What has our theory to say about the determination of these prices of copper kettles, chemical products, coffee, etc.?

It must offer some explanation of these facts, since they are of such frequent and general occurrence. It is also manifest that it cannot explain them in terms of the elementary cost of labor and abstinence, nor in terms of the value of these elementary factors of cost, nor by a reference to the disutility which may be associated with the same. The price of the copper kettle has advanced from fourteen dollars to eighteen dollars, and the price of coffee from sixty-five dollars to eighty dollars, not because, but in spite of the fact, that the elementary costs have remained unchanged at fourteen and sixty-five dollars. Again, in the case of our chemical product, if the price depended upon the elementary cost, it should not stop at six dollars but should sink to four dollars. It is equally clear that all these cases of price variations are subject to the law of cost and are actually effects of this law. It would, indeed, be a very serious sin of omission, on the part of economic science, to attempt an explanation why the present prices of the several commodities mentioned in our illustration are just eighteen, six and eighty dollars, without any reference to the characteristic circumstance that these prices represent the present cost to the entrepreneur, and instead, content itself, with a vague reference to the relation existing between the supply of, and demand for these commodities.

The same considerations which in the past have forced us to supplement the general law of supply and demand through the more exact law of cost, makes it necessary to so interpret

the law of cost that it may include and explain the above variations in prices.

What now remains to be done? In our opinion, just that which the Austrian economists have endeavored to do.

The conception of a historically reckoned cost must be brought face to face with the conception of a synchronously reckoned cost, and due importance must consciously be given to each of the two conceptions. These two conceptions may, indeed, be put side by side, but are in no sense interchangeable. For the solution of different problems in our science, both conceptions are necessary. It is even necessary to distinguish between the different varieties of the "historical" cost. For certain explanatory and speculative purposes, it is well to have in mind the disutility of labor. In other cases (as in estimating certain technical advances in production), it is the quantity of labor that we must consider. In still others, it is the value of the labor that we must inquire about. There is not, as Professor Macvane thinks, only one "true conception" of cost. Professor Patten, although his limitations are not entirely satisfactory, comes much nearer the truth when he says that the competing concepts really belong to different branches of the theory, the one to the "theory of value" and the other to the "theory of prosperity."\*

Again, we must not endeavor to find in the law of cost either more or less than the Austrian economists have found in it, namely, a universal law of leveling. And this is an influence which operates not merely upon certain final elements, but also at every stage of the productive process. There is a leveling or equating not merely of the final elements, labor and the disutility of labor, but also of productive goods and of utility with utility. This last takes place independent of, and oftentimes in direct opposition to the influence of the final elements. Why, in our example of the copper kettle, does the price rise from fourteen to eighteen

\* "Cost and Expense," page 67. ANNALS, May, 1893.

dollars? Simply because through the common cost it can and must be leveled to the price of the other commodities produced from copper, *i. e.*, in this case to the price of the strongly demanded copper wire. But why have prices in the entire copper business advanced? Because, and in so far as, through the increased demand for copper, the marginal utility of this material has been raised. It is, therefore, an increase in utility and not in disutility, that here in the guise of cost dictates the advance of the price. The numerous instances of this kind which at once suggest themselves to the reader, confirm our earlier judgment of the important part which, under modern economic conditions, utility plays in the determination of cost.

It is a curious fact that the objection has been more than once advanced, that the Austrian economists have closed their eyes to the rich treasure of insight and knowledge which the great law of cost affords;\* and that they have disdained to avail themselves of its help in the explanation of the phenomena of value. In reality as we have endeavored to show, the reverse of this is true. So anxious are we to coin the whole of this treasure, so strong is our desire not to neglect or discard one particle of the help which it offers us, that we object to a misleading interpretation of this law, an interpretation which would compel us to ignore the greater part of its influence. The character of the facts as well as the necessities of the science force upon us, as we believe, with equal imperativeness, the other universal concept, the concept which the Austrian economists have made their own, and whose essential features I will in conclusion recapitulate.

The variety of meanings that have attached themselves to the word cost have been the source of much confusion. There is, for instance, the cost, which, in the sense of the

\* Compare for example B. Dietzel's writings, especially the paragraphs cited in my answer (Conrad's *Jahrbücher*), third series, book iii, page 327. See also Professor Edgeworth in the *Economic Journal*, June, 1892, pages 334, 337.



great empirical law of cost, operates as the determinant or regulator of price. To identify this either directly or indirectly with the personal sacrifice, laboriousness, pain or disutility that is imposed upon us by labor or abstinence, is an actual misunderstanding.

The "cost" of the law of cost is not the name of an elementary factor. It is a designation applied indifferently, according to the special circumstances of the case, either to sacrifice utilities embodied in goods, or to personal discomfort or pains, *i. e.*, either to utilities or to disutilities. The law of cost is always in the first instance a simple leveling principle. In order to determine what elementary forces are included under this title, we must inquire what it is, that under the name of cost, brings about this leveling. We then find that at first the marginal utility of one product is leveled to the marginal utility of other products, that are produced from the same cost good (raw material, machines, etc.), or it is a leveling of utility with utility. In most cases this leveling process not only begins but ends here. Only occasionally, under quite definite casuistic assumptions, is the leveling process carried a step further, and the utility of the good itself brought into equilibrium with the disutility endured by the producers. In this limited number of cases the general law of cost becomes a special law of disutility. The independent character of this law is shown by the fact, that while its domain is very limited, yet in one direction it extends beyond that of the classical law of cost.\*

What then is the "ultimate standard" for the determination of the value of goods, in the search for which, men have been as indefatigable during the last one hundred years, as they formerly were in their endeavors to square the circle. If we wish to answer this question in a single phrase, then we cannot choose any less general expression than "human well-being." The ultimate standard for the value of all goods is the degree of well-being which is dependent

\* See above page 29.

upon goods in general. If, however, we desire a more concrete standard, one that will give us a more definite idea, just how goods are connected with well-being, then we must take not one but two standards, which though co-ordinate in theory are yet of very unequal practical importance, because of the greater prevalence of the phenomena in which one of them is operative; one is the utility of the good, and the other is the personal sacrifice or disutility involved in the acquisition of the good. The domain of the latter is much more limited than we usually think. In the great majority of cases, even in those in which the so-called law of cost undoubtedly plays a part, the final determination of the value of goods is dependent upon utility.

*Vienna.*

E. VON BÖHM-BAWERK.

[Translated by C. W. Macfarlane.]

## RELATION OF LABOR ORGANIZATIONS TO THE AMERICAN BOY AND TO TRADE INSTRUCTION.

In the *Century Magazine* for May, 1893, occurred these words, inspired by the late Colonel Auchmuty, the head of a large New York trade school: "The American boy has no rights which organized labor is bound to respect. He is denied instruction as an apprentice, and, if he be taught his trade in a trade school, he is refused admission to nearly all trade-unions, and is boycotted if he attempts to work as a non-union man. The questions of his character and skill enter into the matter only to discriminate against him. All the trade-unions of the country are controlled by foreigners, who comprise a great majority of their members. While they refuse admission to the born American boy, they admit all foreign applicants with little or no regard to their training or skill."

These words express a widespread belief that our labor organizations strenuously object to trade instruction, and that the reason for it is that these organizations are controlled and mostly composed of foreign born, who are hostile to the American boy. Before determining the amount of truth in the first charge, with which this paper is especially concerned, it is worth while to devote a few words to the second charge as to the composition of our trade-unions and their attitude toward the American born and those of American parentage.

The two historians of our early labor movement, Mr. George E. McNeil, of Boston, and Professor R. T. Ely, hold that the founders of most of our earliest labor organizations before 1860 were of native stock. Since then, our immigrants have entered the hard-handed industries more largely than have the native Americans. Still more largely



have they entered the labor organizations of their trades in many, but not all, occupations. In Illinois, in 1886, according to the report that year of the Illinois Bureau of Labor Statistics, only thirty-two per cent of the 89,221 then in labor organizations were of American birth, while seventeen per cent were of Irish, twenty-seven per cent of German, nine per cent of British, and nine per cent of Scandinavian birth, while the percentages in 1880 of the various nationalities among the 333,942 in Illinois engaged in the manufacturing, mechanical and mining industries, trade and transportation, were: Americans, sixty per cent; Irish, seven per cent; Germans, sixteen per cent; British, six per cent, and Scandinavians, four per cent. The proportion of Americans had doubtless somewhat decreased by 1886. If all employers and their clerks could be excluded, the proportion of wage-earners of American birth in 1886, would doubtless still have somewhat, but not very much, exceeded the proportion of foreigners in the unions. Four-fifths of all those in the railroad organizations and one-half of those in the unions of cigar makers, iron moulders, gas and steam fitters, printers and pressmen were of American birth.

Most of our trade-unions have so little prejudice against any nationality, native or foreign, that they keep no records of the number of each in their membership. A number of unions, however, have given me estimates. Mr. Fruaseth, secretary of the Sailors' Union of the Pacific, writes that the percentage of foreign born in his union is ninety-five, and on the Atlantic coast less, perhaps fifty, while among the seamen in foreign-going vessels, who are entirely unorganized, the percentage is fully ninety-five. Of the lake seamen outside and in the union, fully seventy-five per cent are foreign born.

In the Bakers' Union, the foreign born predominate, and in the Confectioners' Union, the native. Ninety per cent of the Spring Knife Makers' Protective Union are native American. About two-thirds of the International Furniture

Workers and of the International Trade Association of Hat Finishers; thirty-five per cent of the Amalgamated Association of Iron and Steel Workers, and forty per cent of the carriage and wagon workers are of foreign birth.

President G. P. Monroe, of the Stationary Engineers, says, only fifteen per cent of his union are foreign born, which, he thinks, "smaller than in the trade outside." About one-half of the brass workers in the union and in the trade outside are reported as foreign born. About eighty per cent of the silk ribbon weavers in the trade and apparently in the union are of foreign birth. About one-sixth in the Barbers' Union are of foreign birth, and a larger proportion of these outside. Of the Boiler Makers' and Iron Ship Builders' Union, about one-half are reported as of foreign birth, but the president writes: "Nationality cuts no figure. The most intelligent are most in favor of organization."

Mr. F. P. Sargent writes of the Firemen's Brotherhood, what is equally true of the Brotherhood of Locomotive Engineers: "Our organization is almost entirely composed of American born persons."

President Martin Fox, of the Iron Moulders' Union, writes: "The question of ascertaining the percentage of native and foreign in the organization has never been entered into, as the union knows no politics, creed or nationality. The qualifications for membership are based on the ability and workmanship of the applicant to perform the work and command the wages paid average workmen, but, as a matter of fact, the native born predominate. Many of them, no doubt, are of parents born in foreign countries."

That such restriction of apprentices as exists in some unions is disconnected with any race prejudices, may be indicated by the case of the Tackmakers' Protective Union with only about 300 members in six locals, ninety-five per cent being of American birth. This union, dating from 1854, and one of its locals, perhaps the oldest of existing local unions, from 1820, voted in 1890 to take no apprentices

for the next five years, save sons of members, unless by vote of the union. The secretary naïvely writes that his union has never opposed the formation of trusts among employers in his trade, and the men earn \$125 to \$225 a month, and sometimes work only forty hours a week.

While the foreign born are in the majority in many of the hard-handed industries, this is not because of our labor organizations, but often in spite of their efforts, of late increasing, to prevent by restricting immigration this form of competition of those with a lower standard of living. Where the American born are not in our unions, it is either because the American boy does not like manual labor, and so is not engaged in the trades in which there are unions, or else he refuses to join the union of his trade. Many unions write that the Germans take most readily to labor organization, while in Chicago, the native farmers' boys from the Atlantic seaboard States are least responsive. An intense, self-sufficient individualism, which was more fitted to our earlier history, where organization of capital was also little developed, than to the present era of the corporation and the trust, keeps a large, but of late, decreasing percentage of the American boys actually in our trades from joining the unions of those trades.\*

\* In the Illinois Labor Bureau Report for 1886, pp. 228-29, appear some excellent observations on this subject, in part as follows: "There is both the distaste of the American youth for the trades, and their further indisposition to identify themselves permanently with any class or with any sphere in life. The foreign workman has the traditions of many generations and the walls of caste to restrain him within certain limits as to his occupation; he has no possibilities beyond a given sphere, and is trained and developed within it. Thus environed, his career and ambitions lie in the paths his fathers have trod, and his associations with his fellow-craftsmen make the trade-union his natural and necessary place. Transported to this country, he brings his feeling for the union and his class associations with him as a habit.

"But the American mechanic's boy is born to no condition in life from which he may not rise, or hope to rise, or which at least he may not abandon for better or worse. All the precepts of the schools and teachings of observation suggest other ways of making a living, or at least other avenues in life than those of his father. Add to this the time and toil required to learn a trade, and the frequent objections to his being admitted to the shops, the encroachments of machinery upon intelligent skill in all the industries, the lack of technical training in the public schools,



An extreme instance of a skilled trade monopolized by the foreign born is that of the better kinds of tailoring. One of the most expert workmen among the tailors of Chicago tells me that he has never known but one American at work among the better grades of tailoring. But this is due to the fact that a journeyman tailor cannot afford to take a helper unless that helper has first learned how to sew. But opportunity for so learning is not afforded in this country. In Germany, such preliminary training is afforded in numerous so-called back-shops connected with tailoring establishments, but which do not exist to any great extent in America. Here work is largely done by the journeyman in his room.

A few years ago a trade school was established by the merchant tailors in New York for teaching the tailoring trade. The first year the school had forty pupils. The boys were paid a proportion of the value of their product. Then the system was changed, and the boys were charged tuition. The bright boys dropped out and procured situations as cash boys, errand boys, etc., and were replaced by merchant tailors' sons and proteges or friends, who never intended to be journeymen, but desired to gain a smattering of practical work to qualify them to become cutters or masters. The school dwindled to ten pupils during its fourth and last year. Indifference on the part of merchant tailors and the preference of American boys for positions as civil engineers, physicians, electricians, and the like, rather than tailors, are said in letters to me by its managers to have been more responsible for failure than any hostility or indifference of the Journeymen Tailors' Union.

Mr. M. H. Madden, president of the Illinois State Federation of Labor thus writes me: "You ask, are foreign born workmen received into the unions with less inquiry as to the

and it is not difficult to understand why the American-bred youth seek clerkships and swell the ranks of non-producers, who live by their wits rather than by manual industry, nor why four-fifths of 49,604 mechanics and artisans in Illinois are of foreign antecedents and habits."

length of their training than is true of American born. The answer to this must be in the negative, and it must be delivered with emphasis. The modern trade-union in America is in its infancy as compared with the trade-unions of the old world. Seven years is the time required to serve as an apprentice in the old world. Five years is the limit in this country. Compensation is a feature here. Over there the apprentice receives nothing, and frequently pays for the privilege. As regards competency, the foreign born journeyman is thoroughly grounded in many particulars. I wish to direct your attention to this feature especially. I am a native of Illinois and for thirty years have been a close observer and student of these matters. Therefore I cannot be accused of prejudice in behalf of the foreigner. Instead of his being discriminated in favor of, he is rather legislated against by our societies principally in the way of appealing to prejudice."

If the trade-union is not opposed to the American born in general, is it opposed to the latter learning a trade? This is often charged because of rules in some unions that limit the number of apprentices to be employed at any one time in a union workshop. Have such rules really limited trade instruction? Rather have they tended in most cases, where enforced, to prevent a horde of half-trained boys, with less wits than the average married wage-earner from being used by the more unscrupulous employers to beat down wages. There is, however, immensely less actual restriction of those really desirous of an apprenticeship than is commonly supposed.

Just as our trade-unions did materially restrict competition by well-equipped men by depriving them of the opportunity of learning a trade, the example of many employers might be cited as a justification of such action. Trusts and combinations to restrict competition are the order of the day. In the convention, in 1892, of the National Association of Builders of the United States, John Byrns, of New

York City, declared:\* "In the city of New York no consumer can go into a supply house and buy a pound of lead, and I think that that same system exists throughout the country. We deem this necessary for the protection of our interests. If a consumer could go to a supply man and obtain goods as low as we can and cheaper sometimes, when our bills should go to the consumer it would put us in the light of extortionists." C. W. Gindele, of Chicago,† declared: "The Stone Cutters' Association have a distinct understanding with the Quarrymen's Association that every foot of dimension stock that is sold in Cook County must be sold direct to the stone cutters."

In a recent article, Mr. George C. Sikes, has shown by a reference to the declarations of large employers themselves‡ that neither in Boston, Rochester, New York, nor Chicago in the building trades do the large builders, who are able to train apprentices, take as many such as the union rules allow or as they would like, while the inferior small employers would, if allowed, flood the market with cheap, half-trained youths. Prominent builders in the above cities state that the unions do not stand in the way of as many gaining thorough trade instruction as present facilities and self-interest among competent employers permit.

The semi-annual report of the British Trade-Union of Lithographic Printers, in September, 1889, thus clearly and sensibly expresses the laborers' view:§ "We believe in technical education, if the object sought to be attained is to improve the skill, efficiency and touch of workmen and apprentices, who may be permanently engaged in certain industries, that is, for those engaged in the printing trade to receive further instruction in printing in the technical school; those employed in lithographic printing to receive

\* Proceedings of Convention, p. 70.

† *Ibid.*, p. 78.

‡ *Journal of Political Economy*, June, 1894.

§ Fourth Report on Trade-Unions of British Department of Labor Statistics, pp. 613-14.



lessons in lithography; and those engaged in other trades to receive practical instruction in respect to those trades. But to throw the classes open for individuals engaged in one industry to receive practical lessons from practical teachers engaged in another industry will be to defeat the object sought to be attained, and will be mainly prolific in introducing or manufacturing workmen far less skilled than those of to-day. It will appeal to the intelligence of any man that, unless this restriction be observed, dire results must follow.

"We would place no obstacle in the way of the development of technical education. We wish it every success. But we must ask our members, several of whom are teaching in technical schools in different parts of the country, that only those who are engaged in the trade, either as journeymen or apprentices, shall receive instruction in connection with it.

"The system of to-day by which apprentices are but taught a portion or certain branch of their trade is in itself bad enough, and produces a number of workmen not properly skilled, and these are the individuals who would be much benefited by receiving instruction at the schools. But to give instruction in lithography to any who may apply for it, and who are not members of the trade, would be to act diametrically opposite to the objects ostensibly sought to be attained."

The writer of this paper made a personal investigation of this matter in 1891, embodying the results in a paper which appeared in the proceedings of the American Social Science Association for that year. Of the sixty to seventy trade-unions in the United States then having a national or international organization, forty-eight with a membership of over five hundred thousand made returns to the writer. Most of the other unions are small and known to place no restrictions on apprentices. Now of these forty-eight unions, twenty-eight embracing 222,000 members, or forty-five per cent of the above 500,000

had no restrictions upon apprenticeship; in ten unions with 197,000 members, or thirty-nine per cent of all, restriction was left to the locals. Nearly all of these 197,000 were carpenters, printers, cigar makers, painters and decorators. No returns were received from most of the building trades aside from the carpenters, but it is known that where they have any restrictions upon apprenticeship, they are usually a matter of local regulation. Let us examine a little the restrictions in these unions. Only those branches of the cigar makers' organization which make the better grade of cigars attempt any restriction at all of apprentices. Where restriction is attempted, it is usual to allow one apprentice to a shop and two apprentices where from five to ten journeymen are employed. The term of apprenticeship being three years, and the natural working life of cigar makers over fifteen years, there is, in the application of this rule, opportunity for a considerable yearly increase in the number of cigar makers. It may be a sufficient evidence that the cigar makers do not unduly restrict the number of apprentices if I state that the Chicago union, with a membership of 1900, has between 700 and 800 apprentices.

Of the eleven local typographical unions in New York State investigated in 1886 by the New York Bureau of Labor Statistics, eight reported some restriction of apprentices. The very moderate rule common to most of these was one apprentice to four or five journeymen, the term of learning being four years. But such rules are of comparatively little avail in keeping down the number of apprentices because of the large number trained in the country newspaper offices, where, in the absence of unions, no rules are applied. All of the eleven unions, as stated in the report, admitted to their membership on equal terms with any others, those boys who had learned their trades in non-union establishments. The Chicago Typographical Union allows one apprentice (in newspaper and two in job offices) to the first ten journeymen and one apprentice to every five journeymen thereafter.

A veteran printer of the union has found this rule would allow for the 1700 membership of one of the Chicago unions about 250 apprentices, but the number employed is only about 140, very clearly proving that not as many boys desire to be apprentices in the printing trade by nearly one-half as the union rules would allow.

In view of the common belief that the building trades are successful in limiting the number of apprentices, it is very significant to note the fact brought out in the Massachusetts census for 1885, that in none of the building trades was there one-half, and in most cases not one-fourth, as many apprentices as the union rules would allow. Among the blacksmiths there was one apprentice only to twenty-eight journeymen; among the carpenters, one to sixty-two; among the machinists, one to twenty; among the masons, one to one hundred and five; among the painters, one to eighty-nine; among the plumbers, one to forty-four; among the printers, one to nineteen; among the tinsmiths, one to sixteen. In Wisconsin, in 1889, according to the fourth biennial report of the Commissioner of Labor and the industrial statistics of that State, there was only one apprentice to every thirteen among the masons; one to every twelve among the carpenters; one to every twelve and a half among the painters, while there were three apprentices to every four journeymen among the plumbers.

Two of the most exclusive unions in this country are the Tile Layers' and the Flint Glass Workers'. The former with a small membership requires a learner to serve two years as an apprentice, and then he must be able to secure a two years' contract as a laborer at three dollars a day for the first year and three dollars and a half for the second. He must then be able to earn four dollars a day and pay an initiation fee of from twenty-five to one hundred dollars according to the locality.

The Flint Glass Workers' allow only one apprentice to every twenty men unless there are less in a shop, and he must



serve four years. By adding an initiation fee of one hundred dollars in case of emigrants, and having other stringent shop rules, they keep up wages to from six to nine dollars a day for their members in this skilled trade during the ten months' work season. But these examples of a labor trust modeled after the increasing examples of the same among capitalists are the exception in the labor world.

Only seventeen of the forty-eight unions making returns as above stated, had any national rules restricting apprentices, and only fourteen of these unions, with 71,000 members, or fourteen per cent of the 500,000, in the forty-eight unions, reported any success in the enforcement of such rules. Of these 71,000, 9500 were glass-workers, 5417 were hat makers, 28,000 were iron moulders, and 20,000 were journeymen tailors; and these last allowed one apprentice to every journeyman, the apprenticeship lasting four to five years, a very liberal rule. In the census of 1885 in Massachusetts, it appeared that in the hat business there were 226 technically known as hatters and twenty-nine apprentices, but there were 875 other hat makers such as silk and fur hat makers, finishers, trimmers, pressers, etc., and only three apprentices, instead of fully three times that number, as the union rules allowed. Similarly, there were in Massachusetts only sixteen apprentices to 769 journeymen pattern makers, or one to forty-eight; fifty-eight apprentices to 2997 iron moulders, or one to fifty-two, and one apprentice to twenty-six wood carvers, and one apprentice to every twelve journeymen tailors. In this, as in nearly every case, we find that the death-blow to apprenticeship is not struck by the unions, but by the conditions of business which bring workers into a trade without any regular training or apprenticeship whatever.

As a final proof that the trade-unions are losing interest to a great degree in the restriction of apprentices, reference may be made to the small number of strikes for this purpose. In 1881-86, inclusive, according to the United States

Bureau for Labor Statistics there were 22,304 strikes and of these only 250, or one and one-tenth per cent, had any connection with apprentices. Sixty-three of these were unsuccessful. Of these 250 strikes, 157 were in the building trades, twenty in glass, fifteen in tobacco, twelve in clothing, nine in metals, seven in printing and publishing. Of the 6384 establishments on strike in New York, during 1885-89, as reported by the New York Bureau of Labor Statistics for 1889, only 114, or one and two-tenths per cent were connected with apprenticeship, and of these 114 only seventeen per cent were either wholly or partly successful, though of all strikes, sixty-two per cent were wholly or partly successful. In 1891 and 1892 less than one per cent of the strikes or of the men involved were connected with disputes over apprenticeship rules.

Although the writer of the *Century* articles charges the trade-unions with the downfall of the apprenticeship system, the only system known until very recently for imparting trade instruction, he says in the June number, 1893: "At the Sixth Annual Convention of the Pennsylvania Association of Master House Painters and Decorators, held at Scranton in January last, one of the delegates read a paper on the apprenticeship system as observed in his trade. He said that after a personal investigation among at least 600 master painters and decorators of Philadelphia and vicinity, he had discovered that not an average of one in fifteen had a single apprentice in his business, and that the larger the workshop or establishment, the greater seemed the abhorrence with reference to the employment of boys to learn the trade, many of the masters going so far as to say that in all their experience as masters, extending over fifteen to thirty-five years and employing from fifteen to fifty and as high as eighty workmen, they had never bothered their brains teaching a boy the business."

I will further state that in the course of University Extension lectures before many thousands of persons, I have

urged everyone who knew of a single boy who had been prevented from learning his trade by trade restrictions, to kindly report the matter, orally or in writing, to me, and I have never thus or in any other way received personal knowledge of more than two cases, one of which was among the nail workers, and the other among glass workers although I believe there are a few hundred such among our 65,000,000 population. The downfall of the apprenticeship system is due largely to the introduction of machinery and the consequent subdivision of work in large shops. This renders it impracticable for the employer to take a personal interest in each of his men, or to give them an all-round training. It is more profitable to set the learner at work upon a single machine or branch of work where he will soon acquire speed. The boy prefers this because he is eager to begin earning as soon as possible. But the apprenticeship system as managed under modern conditions is at best a poor method of trade instruction. It is a picking-up process. Scores of wage-earners have assured me that very little actual teaching is done for the boy in the apprenticeship, but he must do a great deal of drudgery, run more or less danger of moral contamination, and can only learn what he may incidentally pick up by watching others. This is a great waste of time. There is no awakening of keen ambition and love of the work; no adequate training or imparting of dignity to the work. A journeyman is hardly ever paid, as he should be, when on piece work for the time lost in teaching an apprentice. This alone accounts for much of whatever opposition there may be among journeymen to a large number of apprentices.

In a forcible address before the Charities Congress of the World's Fair Auxiliary, Professor Felix Adler, of New York, held very truly that our institutions are based first, on democracy, and second, on universality of culture, and that this latter must come, not only in the pleasure and culture of school days and out of working hours, but that man



must get his greatest good in his work. But he cannot do so unless he is better trained to see and produce the beautiful and the skillful than is the ordinary apprentice. President Smart, of Purdue University, Indiana, who has been very successful in combining practical trade instruction with high school and more advanced work, presented at the annual convention of the Bureau of Labor Statistics in 1888, the result of extensive inquiries as to the number of boys that had become successful workmen out of every hundred who had entered each trade mentioned. Of the carpenters, there were only eighteen; of the pattern makers, sixteen; of the blacksmiths, ten; of the moulders, seventeen; of the machinists, fourteen; or an average of fifteen to each one hundred. Evidently something must be done. What shall it be?

First should come far more of mental training through compulsory education from five to fifteen years of age, and ultimately five to sixteen. Next a thorough system of manual training properly taught by expert teachers should be a part of every school system from the kindergarten to the college. Such training develops, as experience in Toledo, Boston and scores of other cities is proving, manual skill and the development of the whole body and character. Its object has been well defined to be to add to the pupils' power of expression by verbal description the power of expression by delineation and construction. It tends to awaken a pleasure in honest work in the hard-handed as contrasted with the soft-handed occupations. It renders it possible for a boy to learn a trade more quickly after leaving school, and thus induces the parents to keep the child in school longer and thereby better equip him in other ways for life. It is beginning to be recognized that the worst enemies of workingmen are those who would confine public education, as some recent Chicago agitators would do, to "the three R's" that might fit the boy, as one of them urged to be "a clerk in O'Leary's grocery." If it be urged that the workingmen cannot afford to keep their children in

school more than three years, or that the public schools are not sufficiently equipped for better training, a sufficient reply is that the workingmen who have the votes, should demand such reform in taxation as will secure public revenue in proportion to ability to pay from the rich citizen as well as from the small house owner, and thereby properly equip our school and provide, where private charity may fail, such temporary aid to children at school as will guarantee to them a nearer approach than now to equality of opportunity with other social classes in the development of their manhood. Before a boy enters upon the duties of a trade or occupation, he should have such breadth of culture as will enable him to choose wisely and to be an intelligent citizen. One can never succeed thoroughly in any special occupation who has not a broad foundation, as the president of Heidelberg University recently said relative to professional training: "A specialist who is only a specialist is not a specialist at all."

Workingmen need great capacity for turning from one tool or machine to another in the same or a kindred occupation. W. T. Harris, Commissioner of Education in the United States, well put it when he said that, whereas formerly a man was obliged to spend seven years in learning a trade, he must now be able to learn a new one in seven weeks. Such are the vicissitudes of modern invention and industrial development. For all this, manual training is an excellent preparation. As Mr. Powderly said at the time of President Smart's address just quoted: "Every school-room should be a workshop, a laboratory, and an art gallery. At present, a trade learned is a trade lost, for the learner does not have an opportunity to practice more than one part of his calling, and if thrown out of that one groove cannot fall into another. Under an industrial system of training, every American youth will know sufficient of all trades to step into whatever opens itself to him, and he will not be forced by circumstances to stand in the way of

another who is anxious to rise, but will be fitted to take a step forward at a moment's notice. He will always find work to do and will do it more rapidly, with better tools, and with greater reward than the artisan of the present." Both Mr. Samuel Gompers of the American Federation of Labor and Mr. George E. McNeill, of Boston, confirm my opinion that if any opposition by organized labor to public manual training schools ever existed, it has in most places yielded to hearty endorsement.

But something more is needed than manual training. This furnishes the foundation; but there should follow in some trades special trade instruction. The well-known authority upon education, Professor James Mac Alister, writes me: "I am strongly of the opinion that trade schools are needed to maintain the skilled crafts at a high standard of excellence, and that without them, labor, demanding intelligence and training, will deteriorate. Without them our productive industries and the men engaged in them cannot hold their own against the skilled labor of the most advanced European countries. We have not yet begun to realize the importance of technical education in the broadest sense of that term. The trade school is needed to bring the finer industries to perfection. It is clearly understood in Germany and France, and England is rapidly learning the lesson. Workmen in this country must learn to accept the schools in which their crafts are taught as the only means of raising the standard of their work and improving their economic and social condition. The same thing must be done for the skilled occupations of women. The courses in dressmaking and millinery in the Drexel Institute have this end in view."

It is well known that the superiority of France in works of taste and the rapid strides of Germany in dispossessing England of some of her foreign markets are partly attributable to the fine technical and trade schools which France and Germany have supported, partly through public, partly through private means. So far as can be learned, the



trade-unions in these countries have co-operated with the movement. In Paris, as I am informed by the distinguished economist, Professor Levasseur, there are twenty trade-unions that are affiliated with evening trade schools for the better instruction of those who work as apprentices during the day. The reputation of Paris in millinery and dress-making is surely somewhat sustained by the eight fine schools for training girls in cutting, fitting and artistic designing. Belgium has also developed an excellent system of trade schools. For example, at Brussels there are trade schools in the building trades, tailoring, printing, watchmaking, etc.; at Liege, in iron mining, electrical work, etc.; at Ostend, in ship building and the fisheries; at Ghent and Verviers, in cotton weaving and dyeing. Most of these schools have night and even Sunday forenoon sessions for those that can best come then and week-day sessions for others. A large portion of the pupils are regular apprentices, and, what is most vital, they are thoroughly taught. There is no pretence, as in some American schools, to teach all of a trade in three evenings a week for six months. The evening school course for journeymen weavers at Enschede, Holland, is six school months each year for six years. In the United States Consular Report for October, 1893,\* are interesting accounts of trade instruction in Europe. Our Consul at Rotterdam, Mr. William E. Gardner, thus writes: "Next to educators themselves, employers of skilled labor are the most pronounced advocates of trade schools, which do not cheapen, as these men testify, but only improve the grade of skilled labor, making it not merely profitable to the employer, but more marketable. The old adage that 'there is room at the top' is proved anew in the experience of the country thus far with its trade-school graduates. Strangely enough, as it will appear to Americans, there is not, on the part of journeymen mechanics, any serious protest against an increase of skilled

\* Pp. 187-287.

workers, for two reasons: (1) There is not in the Netherlands, as in England and the United States, the compact labor organization to crystallize and make public any latent objection that may exist; and (2) the older shop-trained mechanic, from whom opposition would be naturally expected, is probably also the father of a boy or girl who is having the benefit of virtually free training in the local trade school. Thus is the disadvantage of the school in its relation to him as a mechanic quite offset by its advantage in its relation to him as a father; and, on the whole, he has no fault to find." In view of the favor shown to these trade schools by such labor organizations as do exist in Paris and elsewhere, it may be safely said that the second of the above two reasons is far more important than the first.

The recent report of the United States Labor Commissioner on Industrial Education is an invaluable presentation of the great work of European trade schools. Nowhere in all the report is there a hint of trade-union opposition. In Brussels the Typographical Union took the initiative in establishing a trade school. After five years' attendance, pupils successful in the examination receive a diploma entitling them to the wages of a skilled workman. The governing committee of the school is equally composed of workmen and employers.\* A similar school was started in 1886 by the Printers' Union at Paris. All of the graduates, says the report,† have entered into positions found for them by this union. The report declares that the considerable effort of the past twenty-five years to raise the standard of trade education in France "has come from the side of labor organizations, industrial employers" and private and benevolent institutions.‡ The report also declares, in speaking of the Belgian trade schools:§ "The value of these institutions

\* Eighth Annual Report of the Commissioner of Labor of the United States, p. 192.

† Page 277.

‡ Page 277.

§ Page 199.

to the laboring classes can hardly be overestimated. They meet the needs of various kinds of wage-earners. Workingmen's children, who become bread-winners as soon as the factory laws allow, and even before, find in night study at the industrial schools the instruction which otherwise they would never have leisure to secure. Older men, moreover, discovering at the shop what they lack in efficiency, what hindrances bar their advancement, what influences must be counteracted, start in, even late in life, to supply the want by systematic training, which may be had absolutely without cost. Laborers fifty years old are not ashamed to seize such tardy opportunities, and numbers of workingmen assert that they were fathers of large families before the chance occurred to enter on this coveted instruction."

The nearest approach I have discovered in this country to the European method of trade instruction is in connection with instruction in plumbing at the Pratt Institute, Brooklyn. "The Journeymen Plumbers' Association of Brooklyn," says the catalogue of 1893-94, "co-operates in the direction of these classes. At the end of a two years' course, a committee of the association examines the members in regard to both manual skill and knowledge of trade methods and awards certificates to those showing satisfactory proficiency, which certificates, in case of the holder afterward applying for admission to the association, are accepted in place of the examination of like character otherwise required. In the January number of the *Pratt Institute Monthly* appears this statement: "The evening trade classes of the department represent very forcibly the change of attitude which practical workmen are showing toward trade schools. Over eighty per cent of the total number in these classes are engaged during the day at practical work in the trades. Many of these are sons of mechanics of reputation and experience, while in many cases the student's presence is due to the older associates in the trade. The use of the evening trade classes in this manner has been encouraged by the Institute,



which holds that the natural work for these classes is to broaden and perfect the training of those already started in the trades, while the day classes afford the true opportunity for training beginners."

In this connection the following letter from the head of trade instruction at the Pratt Institute, Brooklyn, will interest: "The attitude of the trade organizations toward the trade work of the Institute has been in general one of armed neutrality. With the exception of those trades involving the most ignorant labor, viz., plastering and bricklaying, we have never met with active opposition from trade organizations. In the cases above mentioned, the unions, on two occasions, threatened to take away our instructors, who were journeymen, but in each instance, the matter was amicably adjusted. Any opposition to the work of the school is, of course, felt in resistance to the employment of its graduates and this has varied greatly in the various trades. In plastering and bricklaying, this opposition has always been quite strong and compelled the graduate to commence work in some small place out of town and after a while to return to Brooklyn and join the union, which, under these circumstances, was easily done.

"In the plumbing class, most of our students have been apprentices before coming to the school, and with those who are not, it has been the practice to afterward obtain an opening as an apprentice and then, after a short time, take the examination which the rules of the Journeymen's Association provide for and gain their standing as journeymen. The journeymen would, as a rule, I think, like to shut out these latter school-trained men, but they know that they are powerless to do so and largely in consequence of this they have come into a working co-operation with the Institute in the direction of the plumbing classes—the first time, as far as I am aware, that a journeymen's organization has come into co-operation with trade-school movement.

"The members of the carpentry classes have had little difficulty. They have not brought forward their school training among the workmen, but they have, almost without exception, very quickly secured good openings at very favorable wages. I think there is very little prejudice among the carpentry trade against the trade schools. In machinery it is much the same. The students are obliged to start at smaller wages but their progress is rapid. They are liable to meet at first with prejudice from the workmen, but in no case have I known of active opposition. With printers I have not so much data because we deal almost entirely with apprentices and even with journeymen."

Relative to the mechanical trade schools of the master builders of Philadelphia,\* one of the managers wrote, me in the summer of 1893, as follows: "At the opening of the schools, three years since, the attitude of some of the principal trade associations was entirely hostile. They claimed that the Exchange established the schools to render their members independent of any agitation in regard to wages, by training for trades only such as they chose, and that the policy of refusing to admit the sons of journeymen would be adopted. Claiming also that it was intended to teach trades in less than the usual time, they stated emphatically that the shop was the only school, that no trade could be learned in less than four years, and that employers were themselves responsible for keeping American boys out of trades. None of these statements had any foundation in fact, but their influence was such that, outside the membership of the Exchange, it was almost impossible for our graduates to obtain entrance into trades, and the attendance on some trades during the second term was reduced more than one-half.

"The Exchange would be glad to work in harmony with the various associations for the general improvement of both apprentices and journeymen. But where rules exist to

\* For a good account of this school and of apprenticeship generally in the building trades, see *Journal of Political Economy*, June, 1894, article by Geo. C. Sikes.

interfere with proposed work it cannot take the initiative in proposing to modify them. This has, however, been done voluntarily by one of the principal associations, the bricklayers, and after a conference the points conceded were that preference would be given to graduates from the schools, and in consequence of their holding certificates their term of apprenticeship would be shortened one year. Other trades have not shown the same foresight and still retain rules which might be modified if the objects sought were fully explained, as they might be in a conference of committees.

"There can be no doubt of either the value or the practicability of trade instruction, avoiding, however, the attempt to teach too much in a short time. Up to the present time the schools are limited to the instruction of apprentices. For them, under the changed condition of apprenticeship, there is only the opportunity to learn from observation. Only in exceptional cases are journeymen willing to teach them, and there is consequently no regular system of instruction, the rules of the associations simply stating that apprentices shall be afforded every opportunity of acquiring their trades. That this is unsatisfactory is shown by the number of young men, already apprentices, who fill whatever vacancies remain in the classes, and applications received from journeymen of several years' experience who recognize the fact that 'picking up' a trade leaves them the inferiors of younger men who have acquired both method and manual skill." Others of the managers more emphatically testify their conviction of the growing friendliness to the school of the Philadelphia trade-unions.

Mr. P. J. McGuire, general secretary of the United Brotherhood of Carpenters and Joiners of America, and a resident of Philadelphia, thus writes relative to the Philadelphia and New York schools: "While there has been no official hostility on the part of labor organizations toward the Mechanical Trade School of the Philadelphia Builders' Exchange, still there is an undercurrent of ill-feeling against



it. The members of labor organizations had the impression that the management of such a trade school under the auspices of the Builders' Exchange was undertaken purely out of hostility to the trade-unions and with a view to their injury. Quite an influential element of these organizations, nevertheless, is of the opinion that mechanical trade schools are merely primary and elementary and largely theoretical; hence, they cannot materially injure labor organizations nor bring the graduates of these schools into very active competition with mechanics trained under a practical apprenticeship system.

After the pupil leaves the trade school and goes out on a building, he has to practically apply the knowledge he has acquired in the trade school and sometimes has to unlearn much of that which he has been taught. Had these mechanical trade schools been undertaken by the State or municipality, there would not be such manifest opposition to them on the part of organized labor. The late Colonel Auchmuty's efforts were combatted by the trade unions, because he went to the employers and contractors for co-operation and encouragement and solicited their endorsement on the special plea that graduates from these trade schools could work cheaper and be free from the control of the trade-unions. He went out of his way to charge that the trade-unions were managed and run by foreigners and that American boys were excluded from learning trades by the efforts of foreign trade-unionists. These ill-advised remarks on his part created a sturdy prejudice among organized workmen against Colonel Auchmuty.

"The allegations in a recent issue of the *Century* are untrue generally. There is no restriction in our organization nor in the bulk of trade-unions to keep the American boy graduates from the trade school from joining a trade-union or working beside a trade-union man. There are very few trades now which have apprentice 'rules to exclude the American boy from learning a trade as an apprentice in

favor of badly trained foreigners who are daily admitted to the unions.' "

Apropos of Mr. McGuire's suggestion of public technical schools to supplement manual training schools, it may be stated that in Europe many of the trade schools were started by private aid, but by far the larger part are now managed or supervised by the State, while the entering wedge to a similar development in this country has already been driven in the support by taxation of our State agricultural colleges, which teach not only the trade of farming but also in many cases, engineering and some of the mechanic arts. In Chicago and very likely in a few other cities many apprentices among stone cutters and other trades requiring drawing take lessons in a Turner hall from nine to twelve Sunday mornings, but the expense and distance from home if not religious scruples keep away many. There is great need of public technical instruction.

Mr. M. H. Madden, president of the Illinois State Federation of Labor, previously quoted, expresses the opinion of many American trade-unionists when he writes: "You ask, do the Illinois trade-unions refuse to admit to membership any graduates of a good trade school, like Purdue, or would the unions refuse to admit, if such a person should apply for membership. The answer to this would depend somewhat upon circumstances and somewhat upon the trade involved. In many trades the question would be one of competency only, which would be ascertained by examination or example of work. In other trades, such as engineering, the trade insists on recruits coming along the line of gradual promotion. This makes the journeyman out of the stoker apprentice. Hence, trade schools or manual training institutions might not be recognized as furnishing the field for this sort of a plant."

Very significant in relation to the attitude of our unions toward both to trade instruction and immigrant labor were the resolutions passed in the November, 1893, convention of

the Illinois Federation of Labor, on motion of a delegate from the Painters' District Council of Chicago:

"WHEREAS, owing to the defective apprenticeship system of this country the standard of skill of the American mechanic is not what it should be in trades where active ability is required, and

"Whereas, in all industries throughout this great land aliens perform the most skillful part of the work, and

"Whereas, drawing and designing are the fundamental principles of all trades of handicraft, be it

"Resolved, that this convention advocate the perfecting of an apprentice law that will protect the apprentice and tend to raise the standard of skill of the American workmen up to that degree now enjoyed by our brothers across the sea ; and to this end be it

"Resolved, that we demand of the public schools throughout the State the establishment of classes in night schools, whereby those who work during the day at their various trades can obtain instruction in the art of free-hand, ornamental and mechanical drawing."

The fears of many trade-unionists with regard to trade schools are forcibly stated in a letter from Mr. Samuel Gompers, president of the American Federation of Labor. He holds that the Baron de Hirsch Trade School, as well as the other trade schools in New York City, are only working great injury to the American wage-worker. Mr. Gompers writes: "It is not only ridiculous but positively wrong for trade schools to continue in their turning out 'botch' workmen who are ready and willing, at the end of their so-called 'graduation,' to take the places of American workmen far below the wages prevailing in the trade. With practically half of the toiling masses of our country unemployed, the continuance of the practice is tantamount to a crime."

The nub of the difficulty is evidently that which was presented in the report for 1886 of the New York Bureau of Labor Statistics, by the secretary of one of the trade-unions: "I believe in all journeymen and apprentices being connected with the unions. If a boy become a full-fledged mechanic in a technical school, he would not know anything about unions, nor would he have any sympathy with their rules and regulations."



Cannot this difficulty be obviated in public-supported trade schools, or in schools affiliated with trade-unions possibly in some such way as in Paris, Belgium, or in the Pratt Institute schools hitherto mentioned, where the pupil in the trade school afterward becomes an apprentice for a short time, or is an apprentice even during his trade life? In fact, may not the present few American trade schools be animated by a more friendly spirit toward organized labor and be deserving of more kindly consideration in return than is assumed by some trade-unions?

Says the New York *Herald* of May 28, relative to the Hebrew Trade School just mentioned, in an article endorsed by the managers of the School:

"In this city there exists a trade school whose policy is directly in accord with organized labor, and that is the Baron de Hirsch Trade School, at No. 225 East Ninth street. This school has been in operation for nearly a year and is one of the works founded by means of the fund contributed by Baron de Hirsch for the amelioration of the condition of Russian Jewish immigrants.

"The management of this school deserves the hearty support of every trade-unionist in the city. It does a good and necessary work for the Russian immigrants without interfering in any way with established standard of wages or hours, simply by adopting the aims and methods of organized labor. Every pupil is strongly urged to join the union of his trade immediately upon graduating, and not content with this passive indorsement of trade-unions, the managers have instituted a Saturday evening course of lectures upon social, political and industrial questions, which includes lectures upon the objects and methods of labor organizations."

The manager of these Baron de Hirsch trade schools thus writes me:

"My impression is, that the labor leaders who reflect upon the trade school problem are much more friendly now than

they were formerly; they are beginning to see that trade schools are a fixture in this country and that it is the part of wisdom for them to take trade schools graduates into their organizations as friends, instead of leaving them on the outskirts as enemies. Their hostility should be directed not to trade schools, but, if anywhere, to unrestricted immigration. The few men graduated by the trade schools are as 'a mere drop of water in a bucket' as compared to the thousands of mechanics from Europe, who pour into this country annually; how wrong, therefore, for American mechanics to shut off from their own children the advantages of a trade school in the face of this unrestricted immigration.

"There is no doubt in my mind about the practicability of trade school instruction; I can point out a graduate of these schools from the Carpentry Department who knew nothing about carpentry when he came here, about eight months ago; to-day he is earning about twelve dollars per week in an establishment where first-class joinery work only is done. So there are numerous examples in our different departments. We are mere beginners. We do not pretend to 'turn out' finished mechanics in six months or a year, any more than a law college 'turns out' lawyers in two years, or a medical college 'turns out' doctors in the same time; it takes years of hard work and study to make a mechanic, or a lawyer, or doctor—after they leave their schools of instruction.

"The talk of our one hundred annual graduates undermining American workmen by working for wages below that generally prevailing in trade is a mistake, a radical error, founded on ignorance; these few men are being absorbed in this country far more easily than moisture by the dryest sponge. I find our graduates insist on getting good wages; and they generally succeed in getting them in time, provided they have been taught a trade which is adapted to their physical and mental attainments; some men are adapted for one thing and some for another; thus, it is an error to

have a small boy taught carpentry, for, a carpenter should be a strong man, capable of handling a heavy plank.

"Again, it is still a question in my mind as to what trades are best adapted for trade-school instruction; I am satisfied that carpentry, wood-turning, cabinet work, carving, plumbing, house and sign painting are so adapted; doubtless, also brickwork, masonry, stone cutting and blacksmithing are likewise so, though our schools have not yet adopted the same for lack of room. I am thoroughly convinced that labor organizations have nothing to fear from trade schools and their products; of a hundred men who enter our trade schools, we do not graduate ten; the remainder become tired of the work which we make them do; the result is that the other ninety per cent who leave us enter some common labor pursuit where they are apt to cut down wages of labor, whereas, had they remained in our schools, we would have made independent mechanics of them, who would be amongst the first to uphold the scale of wages."

The Auchmuty School in New York has in twelve years sent out over 4000 more or less trained mechanics, and just before the recent death of its founder received \$500,000 endowment from Pierpont Morgan. The prospectus declares three months to be sufficient in the day classes to graduate young men who in the school become "possessed of the skill," though not, it is elsewhere admitted, of the speed "of the average journeyman and have a wider knowledge of the trade in all its branches." Colonel Auchmuty wrote in the *Century* of January, 1889: "Living is made dearer, the poor are made poorer by union rules. In nearly all callings where skilled labor is required, it can safely be asserted that a journeyman receiving four dollars a day and working with a trade-school graduate at two dollars a day could produce as much as two journeymen now do for eight dollars—a saving in cost of two dollars, or twenty-five per cent."

No wonder that any such effort to benefit the employer or the consumer at the expense of wages was opposed by the



trade-unionist. It is sound economic policy for the worker to prefer high wages to sharing as part consumer of his products in the cheapness that might result from lower wages.

But, as hitherto suggested, organized labor might possibly arrange with the Auchmuty, as has already been done to some degree with other schools, as just shown in Boston, Brooklyn and Philadelphia, to examine the graduates of the school and to apprentice them, with such shortening of the time of apprenticeship as the work done in the school would justify. In this way, too, the trade-school graduate would be brought into a knowledge of labor organizations, with the same prospect of becoming a member on completing his apprenticeship as is true of the ordinary apprentice. From the letter of the secretary of the National Trades Building Association quoted below, it would appear that already in some trades an amicable agreement between the Auchmuty School and some trade-unions has been secured.

The trade-unionist who believes in apprenticeship but fears the trade school should notice that the former is also a kind of school wherein the journeyman more or less imperfectly teaches the trade to his helper, and that the trade school, put on the basis urged in this paper, can here, as already abroad, help rather than hurt the apprenticeship system and make it again a strong factor in human progress. Many employers of labor and those interested in endowing or managing private trade schools, to say nothing of those to be founded, I trust, by the State and by organized labor, might here as in Europe, be glad to co-operate in this use of the trade school to more thoroughly train the regular apprentice, whether of American or foreign birth. Mr. Gompers, whose severe words upon New York trade schools were just quoted, has, since hearing of the nature of the European trade schools, expressed to the writer his hearty indorsement of the idea, stating that he and his fellow American trade-unionists hold that no skill or knowledge is too great to be desired by the members of our organizations.

The Plumbers' Union of Boston refused to let one of their members teach in a plumbing school. But the Mason Builders' Association and the Bricklayers' Unions of Boston and vicinity have taken a great step forward in solving this matter of trade instruction by placing the supervision of apprenticeship in the hands of a joint committee of the above organizations of employers and employed. The apprentice when taken must be between sixteen and twenty-one years of age and be able to read and write the English language. He must serve three years and until twenty-one. The employer must give "legitimate instruction" during the entire time. The joint committee relieves the employer of an unfaithful apprentice and takes away a good apprentice from an unfaithful employer, and adjusts all differences and sees to it that the apprentice receives his pay and that he has properly completed his apprenticeship. Without a certificate in this last point from the joint committee, the worker cannot join the Bricklayers' Union, membership in which seems to be necessary for employes of the Builders' Association.

The admirable agreement closes with the following provision, though no such trades school as is there mentioned appears to be as yet in operation in Boston: "Recognizing the fact that special instruction in the fundamental features of the bricklaying trade (which instruction shall comprehend education of both mind and hand, so that the individual shall gain a proper knowledge and strength of materials, and of the science of construction) is of as much importance as special instruction in other trades or professions, and, realizing that the chances of an apprentice to get as much instruction as he is entitled to, while at work on buildings, are necessarily limited, the parties to these rules agree that they will join in an effort to establish an institution in this city where all the trades shall be systematically taught; that when such school is established they will unite in the oversight and care of the same and will modify these rules so that

a reasonable deduction shall be made from the term of an apprentice by virtue of the advantage gained through instruction in said school."

The secretary of the National Association of Builders, thus writes me from his office, 166 Devonshire street, Boston: "Some difficulty was experienced in securing the co-operation promised by the union, which was caused by the fear of the workmen that employers would avail themselves of the services of apprentices at a less rate of wages than is paid to journeymen, which action would have operated to the detriment of the latter. All opposition to trade instruction ceased, however, upon the adoption of the enclosed agreement [just quoted]. The experience of the Master Builders' Exchange of Philadelphia has proved that when the purpose of trade instruction as advocated by this association has been understood, opposition on the part of the unions has changed to co-operation. The Bricklayers' Union, the most powerful organization of workmen in that city, is actively assisting the effort of the Master Builders in the trade school work; and other unions have followed their example. The earnest efforts of the late Colonel R. T. Auchmuty, of the New York trade schools, had practically overcome the opposition by the unions of New York City to trade training [not quite true, we have seen, so far as concerns the Auchmuty School], and at present, a number of the classes have committees of inspection appointed from the unions of the respective trades. There is a small school in existence in Rochester, under the supervision of the Builders' Exchange, which is favored by the workmen, and many similar institutions are projected by the filial bodies of this association."

If trade schools were general, covering most of the common trades, their influence upon wages would be beneficial, for increased skill would mean increased capacity to earn high wages, which after being earned, labor organizations might be trusted to secure for their members.



Again, with the increased artistic training of the workmen would come an increased demand for the production of products to satisfy those wants and there would also come the demand for wages with which to buy them. This would mean a higher standard of comfort and of wages. The experience of the best institutions that have tried to teach trades in Europe, shows that a trade may be learned somewhat quicker as well as far better at a trade school, followed or accompanied by a year of practical work. This would leave the apprentice or learner free to remain longer by at least two years in the public schools. Anything that will allow of our youth remaining in schools where the manual and mental are properly co-ordinated, until the child is sixteen or seventeen, ought to be welcomed by every wage-earner as a means of first giving such person that wider culture which is one of the greatest goals of modern democracy, and, second, of raising the ambition and intelligence which shall lead to a higher standard of living and to a wise use of such agencies as organization and State activity. When asked if trade schools would not increase competition with workmen who are now already in the field, President Smart, in the address already referred to, thus replied: "Is it possible that there is a man in this country who is afraid of the competition of his own child? If there is such a one, I think I can give him a good answer. My answer is this: The meanest form of competition which a good workman has to contend with is the competition which comes from a man who has spent little or no time in learning his business, and who therefore produces an inferior job of work at a lower price. This is the only form of competition which a good workman need fear. If a man does as good a job as you do, he will charge a fair price for it." I fully believe, with Professor MacAlister, that the trade schools have to come and that trade-unions can so shape the movement as to get benefit rather than harm from it, and that they need have no more fear that an increase in the number of workers will reduce the wages for skill than

have teachers and lawyers that an increase in their number will reduce their fees, or than the capitalist has that the increase in the amount of wealth, though it lower the rate of interest on the dollar, will lower the profit of the capitalist. With an increase of trade skill, a unit of skill may conceivably get less pay than now, though that is by no means certain, in view of the greater demand for products which the more highly trained classes of wage-earners will have. The increased demand for products would of course mean an increased demand for labor to produce them. But even if we admit that trade schools would slightly lessen the reward of the unit of skill, as the increase of wealth lessens the rate of interest, yet there will be so much greater amount of skill in society as a whole that the wage-worker, like the capitalist, will find his earnings greater than when skill was less extensive and diffused. In other words, his condition, even at the worst, is likely to be analogous to that of capitalist who formerly could earn ten per cent on his one thousand dollars and now earns say, six per cent, but has, say, three thousand dollars invested, so that his total earnings would now be eighteen hundred, where they were formerly only one thousand dollars. Organized labor should treat this question in a broad and liberal spirit, bearing in mind that in the long run trade exclusiveness and selfishness will not be as wise as a broad sympathy that should not only include those more fairly skilled, but the vastly greater mass of comparatively unskilled because untaught humanity all about us.

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## MORTGAGE BANKING IN RUSSIA.

Russia and America are alike in as many respects as they are different. There is the same vastness of territory, the same severity and variety of climate, a similar conglomeration of people and races, the same undeveloped natural resources, and necessity of capital and skill to take advantage of them.

The paternal government of Russia and the enterprise of her German citizens have given her a number of large financial institutions, however, to make real estate loans, which it is my object to describe here, because it is the lack of such institutions in the United States, which is chiefly to blame for the enormous rates of interest revealed by the census mortgage statistics of 1890, recently published.\*

As a rule, the rate of interest on mortgages, as well as the rate on public loans of any community, will indicate its economic condition, but the mortgage statistics published this year for Russia show that with a strained public credit, an inconvertible paper currency, an ignorant population,† an unenterprising upper class, and the entire absence of a middle class, Russia, as far as her mortgage statistics are concerned, still compares favorably with the United States.

As in the United States, so also in Russia, it is the richest and most prosperous localities that have the heaviest mortgage indebtedness, the property of the poorer districts being always subject to shorter loans at higher rates and for smaller amounts. On the map issued with the statistics from St. Petersburg, one-third is red of different shades,

\*See my article on "Mortgage Banking in America."—*Journal of Political Economy*, March, 1894.

†Of the men less than ten per cent know how to read and write, and of the women less than one-half of one per cent, according to M. Anatole Leroy-Beaulieu.



showing forty per cent and over of the land to be under mortgage, another third blue of varying shades, and a third, in the northern portion, where less than five per cent of the land is under mortgage, is brown or white. The red belt runs south from the Baltic to the Black Sea and thence northeast nearly to the sources of the Volga.

The manner in which the statistics at hand have been obtained in itself indicates the different conditions. The statistics given simply comprise a statement of the loans made by thirty-six public, private and mutual banks, and this shows forty-one per cent of the total number of acres belonging to private individuals to be subject to a debt of fifty-one and one-half per cent of their value.

The following tables briefly show these figures for acres and lots:

## FOR ACRES.

	Number of Properties Mortgaged.	Area of properties mortgaged. (Deciatines).*	Valuation of properties mortgaged.—1000 Roubles.	Amounts loaned originally and subsequently.—1000 Roubles.	Balance due January 1, 1893.—1000 Roubles.
Ten Joint Stock Banks . . . . .	25,278	15,722,969	623,576	339,629	324,397
Mortgage Bank of Kherson . .	3,740	3,187,929	193,475	96,737	80,117
National Mortgage Bank for the Nobility . . . . .	11,597	9,605,405	573,578	326,873	319,473
National Mortgage Bank for the Peasantry . . . . .	9,339	1,700,775	70,316	53,759	49,630
Special Section of the National Mortgage Bank for the Nobility . . . . .	7,771	5,933,893	284,988	174,482	169,631
Mortgage Bank of Saratov-Simbirsk in liquidation . . . . .	157	316,924	5,470	2,548	2,218
Mortgage Bank for the Nobility of Nijnii-Novgorod . . . . .	537	125,510	6,864	4,728	4,675
Credit Association for the cities of the Baltic Provinces . . . . .	33,374	5,523,193	150,434	81,150	63,275
Credit Association of the Kingdom of Poland . . . . .	9,238	3,713,647	283,743	128,509	113,783
Mortgage Bank for the Nobility of Kaukasus . . . . .	1,282	492,041	12,195	5,734	3,899
Total . . . . .	102,313	47,322,286	2,204,639	1,214,149	1,131,098

\* One Deciatine equals 2.775 acres.

## FOR LOTS.

	Number of Prop- ties Mortgaged.	Value of prop- ties mortgaged. —1000 Roubles.	Amounts for which properties are in- sured.—1000 Roub- les.	Total amounts loaned originally and subsequently. —1000 Roubles.	Balance unpaid January 1, 1893.— 1000 Roubles.
Ten Joint Stock Banks . . . . .	14,329	225,150	202,997	119,988	100,894
Mortgage Bank of Saratov-Sim- birsk in liquidation . . . . .	109	1,533	1,219	799	308
Bank for the Nobility of Nijnii- Novgorod . . . . .	758	7,505	8,010	4,326	4,186
Mortgage Bank for the Nobility of Tiflis and Koutais . . . . .	2,290	28,258	20,555	16,027	9,951
Six Credit Associations of Rus- sian cities . . . . .	15,917	705,012	681,921	510,445	367,190
Five Credit Associations of Pol- ish cities . . . . .	4,093	155,790	97,131	57,467	45,749
Five Credit Associations of cities in Baltic Province . . . . .	5,707	69,480	67,036	35,048	28,814
Credit Association of the City of Tiflis . . . . .	856	16,783	15,862	8,499	7,682
Total . . . . .	44,059	1,209,511	1,094,731	752,579	564,774

From these tables it appears that twenty-nine per cent of the loans on lands have been made by private banks, thirty-two and one-half per cent by government banks, and thirty-eight and one-half per cent by mutual associations, and Russia thus affords an illustration of the three principal different systems of mortgage banking that are carried on in Europe to-day.

To obtain the total mortgage indebtedness of Russia, should be added, however, to these figures of 1,695,871,933 roubles, also a sum for loans made by private individuals, and furthermore the debt of 872,000,000 roubles which is due from the village communities of liberated serfs to the Russian Government.\*

The liberation of the serfs in 1860 marks an epoch in all things Russian. The change itself was of less immediate consequence to most of the serfs than to their masters. The former wanted to be free and to become the owners of all their land. The latter wanted them to be free but to have no land. What took place then was a division of the land giving

\*According to figures furnished by Mr. Wischnegradsky in 1889 to Mr. W. T. Stead.

to eight million "souls,"\* or about twenty million persons, about thirty per cent of all the land, the nobility retaining twenty-four per cent, the crown and the crown tenants owning the remainder.† Each "soul" obtained from three to four "deciatines," giving to every family of three male members from twenty-five to forty acres. The peasants had hoped for more land, and in many cases preferred serfdom with compulsory labor on the manor to the compulsory purchase of land now adopted. Each village community was, when the change was finally completed at the accession of Alexander III., compelled to purchase its land in common, paying to the government besides the interest of six per cent, a small annual installment, which will redeem the land in forty-nine years, and which is assessed with the other taxes on each village community. The nobles were paid for the land in government bonds of different kinds.

Thus the old village community was continued, and to-day the "Three Field System," with a lot around each house, owned individually; long, narrow, scattered strips of ploughland allotted periodically, and pasture land held in common, is still the usual mode of Russian agriculture. And the Russian peasants seem to prefer this to individual ownership, which is spreading only slowly through the division of communities and the purchase of land from the nobility and the mortgage banks.

While the effects of this radical change have not yet worked themselves out, it is evident that it caused increased demands for mortgage banking facilities on the part of nobles, who having lost their serfs were now compelled to adopt the West European mode of farming by hired laborers, and who had, in most cases, their land already mortgaged to somebody.‡

\* According to the Russian usage of the word "soul," it included only the male peasants paying the capitation tax.

† Anatole Leroy-Beaulieu, "*Das Reich der Zaren*," Berlin, 1884, p. 349. I have not seen the original French edition of this excellent book.

‡ In 1859 about fifty-nine per cent of the land of the nobles was, according to Leroy-Beaulieu (p. 132), mortgaged to banks, and the remainder often to private individuals.



And thanks to the mortgage banks now established and to the slow and quiet way in which the great reform was accomplished, Russia escaped such a demoralization of its agriculture as that which the Southern States of the Union have but recently recovered from.

Before this time there had been but little organized mortgage banking done, and the "souls" or serfs, rather than the land itself, had been considered as the security. Two banks were founded in 1754, making short term mortgage loans at six per cent. They did not foreclose, but took temporary possession of the property. In 1786, they were amalgamated with another bank to form the Imperial Loan Bank, which made both city and country loans. On lands it loaned at eight per cent, three per cent of which formed a sinking fund to redeem the loan in twenty years. On lots the rate was seven per cent, with redemption in twenty-two years.

In 1797 another, auxiliary, bank was founded which lent from forty to seventy-five roubles per "soul," the loans were made in five per cent, twenty-five year, bonds of the bank itself, which the borrowers then had to sell. This bank lent fifty million roubles, of which only 1,395,000 were outstanding in 1802, when it was united with the Imperial Loan Bank. The new bank was—unfortunately, one would think—permitted to loan also its deposits on land. In addition to this there were two concerns founded, which were not for profit, but to render aid where needed, the Lombards of 1772, and the Establishment for Public Aid of 1775.

In 1841 the Imperial Loan Bank had a capital of 8,581,330 roubles,\* in 1851 it held, according to Hübner,† 344,000,000 Thaler (Prussian), and in 1858 it had outstanding loans of 326,000,000 roubles.‡

Up to the Crimean War, these were the only mortgage concerns of Russia proper, and they were successful until

\* J. Dede, "*Das Russische Reich*," p. 89.

† O. Hübner, "*Die Banken*," Appendix.

‡ R. Zeulmann, "*Das Landwirthschaftliche Kreditwesen*," p. 105.

1857, when the depreciation of the paper currency got them into trouble, and the government had to come to their assistance by repaying a large amount previously borrowed.

In 1859 a commission was then appointed to study the question, and for three reasons it recommended the formation of mutual associations: first, because it was supposed there would be a good market for the bonds of such association; secondly, on account of the active control of their affairs by the borrowers, who would be mutually liable; and thirdly, because it was thought that between such associations, managed by the previous borrowers themselves, there would be no competition, and thus no temptation to make risky loans.\*

Such mutual associations, similar to those of Germany, had long been successfully operating in the Baltic Provinces and in Poland. The credit associations of the nobility of Esthland and Liefland had been founded in 1802 and 1803 respectively, when the Czar loaned them several million roubles at three per cent with which to commence.†

Furthermore, in 1825 one had been founded in Poland with seat at Warschau, similar also to the German Provincial Associations, and this, as well as the preceding ones, is still in successful operation. The members are the proprietors of country estates and are all responsible for the bonds which are given to borrowers when loans are made. These bonds are redeemable in paper roubles, and, with the exception of one issue, of which there was in 1890 outstanding 37,628 roubles at four per cent, they draw five per cent interest. The total amount outstanding in 1890 at five per cent was 112,267,008 roubles.‡

The Credit Association of Kurland, with seat at Mitau, founded in 1832, also resembles the Prussian Provincial

\* *L'Économiste russe*, February 1, 1891.

† Bergsøe, "*En Creditforening, etc.*" (Copenhagen, 1835), p. 94. R. Zeulmann, "*Das Landwirthschaftliche Kreditwesen*," Berlin, 1866, p. 105.

‡ W. Saling, *Berliner Börsenjahrbuch* for 1891. Cf. also "*Statistique du Crédit à longue terme en Russie*," St. Petersburg, 1894.

Associations. The members are mutually liable. Loans are made of not more than one-half the value of the property. When either principal or interest is paid on any of the bonds of this, as also of the preceding association, a tax of five per cent of the amount paid is levied by the Russian government. This association had in 1890 outstanding at five per cent 17,982,700 roubles, and 2,044,000 roubles at four and one-half per cent.\*

In addition to these four early mutual associations, a number of others were now, after 1857, founded throughout Russia, as follows: In St. Petersburg, in 1861; in Moscow, 1863; in Riga, 1866; another in Riga, 1869; in Reval, 1869; in Warschau, 1870; in Odessa, 1871; in Lodz, 1872; in Kurland, 1875; in Kronstadt, 1875; in Liefland, 1884; in Lubline, 1885; in Kief, 1885; in Kalich, 1886, and in Plotsk, 1887. All these credit associations are for owners of city properties, and are on the same plan as those of Germany and the earlier Russian ones above described.

The most important mutual mortgage concerns of Russia now founded were, however, the Kherson Provincial Bank of 1864, and the large Credit Association of St. Petersburg, founded in 1866.

The former lent fifty per cent of the value of the property, with sinking fund redemption of the loans, either in thirty-four years eleven months, or in thirty-six years six months. The bank charged a commission of one-half per cent. One-half per cent of all loans was paid every year to the sinking fund and one-quarter per cent to the surplus funds. Both five per cent and five and one-half per cent bonds were issued. The outstanding loans of this bank grew rapidly,†

\* W. Saling, *Berliner Börsenjahrbuch* for 1891. Cf. also "*Statistique du Crédit à longue terme en Russie*," St. Petersburg, 1894.

† 1865 . . . . .	1,833,000 Roubles.
1870 . . . . .	14,531,500 "
1875 . . . . .	43,065,500 "
1880 . . . . .	48,872,000 "
1885 . . . . .	57,635,000 "
1890 . . . . .	66,864,500 "



and in 1890 it had accumulated a surplus of 4,152,500 roubles. In 1868 the bonds had to be sacrificed by the borrowers at from seventy-two to seventy-seven per cent, but in 1890 the five and one-half per cent bonds were above par and the five per cent bonds, at ninety-nine per cent; it had then outstanding at five and one-half per cent 49,038,000 roubles, and at five per cent 17,102,900 roubles.\*

The Mutual Credit Association of 1866, of St. Petersburg, made loans to the owners of landed estates not exceeding one-half the valuation. The loans were redeemable by sinking fund in fifty-six and one-half years and were made in gold bonds of the association. A penalty of one per cent a month was charged for delays in payments due from borrowers. Absolute foreclosure, without redemption, took place after two months' default, and the association was obliged to sell within six months the property so obtained. The bonds were redeemable in the course of fifty-six and one-half years at 125 per cent by annual drawings.

The large scale on which this association was commenced made it an immediate success. The amount of outstanding loans rose quickly to over a hundred million roubles, and the five per cent bonds were sold by the Rothschilds and Bleichroeder in Berlin. The borrowers obtained ninety per cent of the face of the bonds.\*

At first all interest and sinking fund installments were payable to the association in gold, but as paper money fell in value, this was found very difficult. In 1881-82 members had to pay as much as seven and eight-tenths roubles in paper for five roubles gold. In 1884 the government therefore came to the rescue of the association, agreeing to loan it 3,800,000 roubles, and the rates to be paid in paper for roubles in gold were now gradually reduced from eight roubles in 1884-85 to seven and one-half roubles in 1886-87; six and nine-tenths roubles in 1887-88, and seven roubles in 1888-89. Since 1880 loans have also been made in paper,

\* *L'Économiste russe*, Jan. 15, Feb. 1 and 15, 1891.

and bonds redeemable in paper have been issued, of which were outstanding in 1890 about thirty-six million roubles.\*

Of every loan five per cent was retained by the association, and in this manner a capital was obtained; the government further contributing a fund of 5,000,000 roubles in interest-bearing notes of the National Bank, the so-called "Aid Fund." The amount of loans was not to exceed ten times the total of these two funds. The "Aid Fund" at one time sustained a loss of 1,455,695 roubles by embezzlement. Up to 1887, loans of about 150,000,000 roubles had been made, most of the bonds being issued at five per cent. In 1887 a rather expensive but successful conversion took place, these bonds being exchanged for four and one-half per cent bonds redeemable at par instead of at 125 per cent. This absorbed the entire capital and surplus of the association, including the "Aid Fund." In June, 1890, the capital was 501,930 roubles, the special surplus fund, 1,925,642, and the general surplus fund, 1,054,802 roubles.†

The new four and one-half per cent bonds are redeemable in the course of fifty-six years, and can be tendered by borrowers in payment of loans. They are absolutely guaranteed by the government. In 1889 they were quoted in Berlin at ninety-nine and three-tenths per cent, and in 1890 at 101 per cent.

The mutual credit associations were thus established in Russia, and in fact, most of the city loans are now made by them, but owing to the difficulties due to the fall in the value of paper currency, which was felt by any association issuing gold bonds, it was in 1890 decided to have the large

\* W. Saling, *Berliner Börsenjahrbuch*, 1891.

† On July 1, 1890, the association had outstanding :

Long time loans in coin of . . . . .	101,025,324 Roubles.
In paper currency . . . . .	36,623,300 "
Short time loans . . . . .	7,404,846 "
It had outstanding :	
Five per cent coin bonds . . . . .	6,616,200 "
Four and one-half per cent coin bonds . . . . .	94,417,100 "
Five per cent currency bonds . . . . .	36,623,300 "

(*L'Économiste russe*, as above.)

association of St. Petersburg amalgamated with the National Land Bank of the Nobility, a government bank, issuing five per cent bonds, which had been founded in 1886.

There are now two national mortgage banks in Russia, this one for the nobility, which has, aside from the loans of its special section, outstanding loans of 319,000,000 roubles, and another bank for the peasantry founded in 1883, which has loans outstanding of 49,000,000 roubles.

The former was by law of 1889 authorized to issue bonds with prizes, as is customary on the continent of Europe, where the lottery business is not regarded as in America, and in 1890 there were eighty millions of prize bonds outstanding at five per cent. This bank had in 1890 a surplus of 1,292,708 roubles.

The one for the peasantry had in 1891 a capital of 2,807,439 roubles, but had already then had to assume properties to the amount of six million roubles.\* It seems, therefore, too early to pronounce the vast mortgage loan business done by the Russian government an unqualified success.

The private mortgage banks, however, make an excellent showing. These date from the period succeeding the payment of the French indemnity, and are doubtless to be attributed to the thrifty Germans, to whom Russia owes most of her commerce. That of Kharkow was founded in 1871 and nine others† immediately afterward. Each of these banks is limited to a certain district in such a manner that only two banks can compete making loans at any one point.

They loan up to sixty per cent of the valuation, and can foreclose, without redemption, after three and one-half months' default, which the borrower, however, can avoid at any time before the sale by paying a penalty of one per cent. The interest is paid semi-annually, and loans are

\* *L'Économiste russe*, Dec. 15, 1890.

† Poltava, St. Petersburg, Moscow, Bessarabia-Tauria, Nijni-Novgorod-Samara, Kief, Vilna, Yaroslavl-Kostroma and Don. Furthermore, in 1873, that of Saratov-Simbirsk, now in liquidation.



made on both lands and town property for periods varying from eighteen years and seven months to sixty-one years and eight months.

The borrowers must pay each year one-half per cent to form a surplus fund until one-tenth of the loan has been amortized or covered, then one-half per cent of nine-tenths, then one-half per cent of eight-tenths, etc., until the loan is six-tenths paid up.

The loans and the bonds draw the same rate of interest, and the loans are made in bonds which are sold for the borrower's account.

Most of the banks must set aside from five to ten per cent of their net earnings to the surplus each year, until this shall reach eight per cent of the capital.

The business of these banks increased very rapidly.\* Some bad loans were made, but the rise in the value of property from 1870 to 1882 protected them. In the decade from 1873 to 1883 they lost four and one-half million roubles on foreclosures, but since then have been loaning with greater care.

A complete list of dividends shows that although a large surplus has been accumulated by all, they have still paid from seven to fifteen per cent.

The loans of any bank must not exceed ten times its capital, and the banks have had to increase their capital accordingly from time to time. They are subject to the active control of the Minister of Finance.

These banks have had no foreign market for their bonds, and in 1874 these fell to eighty per cent. They, therefore,

\* (Million Roubles.)

<i>Loans.</i>		<i>Total.</i>	<i>Capital Stock.</i>	<i>Surplus.</i>
<i>On Land.</i>	<i>On Lots.</i>			
1874 . . . 63.½	28.½	92.	13.	0.017
1875 . . . 76.	32.½	108.½	14.	0.141
1880 . . . 152.	48.½	200.½	24.	1.4
1885 . . . 238.	67.½	267.	26.½	2.3
1890 . . . 291.	81.	372.	34.½	8.1

(*L'Économiste russe*, April 1 and May 1, 1891.)

combined to limit the total amount loaned in 1874 to thirty million roubles, which caused the bonds to rise to from eighty-six to eighty-seven per cent. In 1875 they were quoted at from ninety-three to ninety-five per cent, and, excepting the period of the Turkish War, they remained from then on at about this rate until 1885. In 1890 they were quoted at from 103 to 104 per cent.

Up to 1885 the banks had issued almost entirely six per cent bonds, and in January, 1890, two-thirds of the bonds drew this rate. A conversion to five per cent was effected that year, and as the bonds were payable on giving notice, the bondholders had to choose between receiving cash or five per cent bonds at par, an operation by which two and one-half million roubles per annum were saved for the borrowers.

What also probably caused the bonds to rise after the fall of 1873 was the formation of the Central Mortgage Bank of St. Petersburg, in April, 1873, in order to assist the smaller mortgage concerns that were unable to market their bonds at a fair price. It had a capital of 16,000,000 roubles, of which forty per cent was at once paid in. About one-third of the shares belong to the government. Further payments on the stock were made in 1876, 1877 and 1887, so that the capital is now fully paid in.

This bank makes no direct mortgage loan whatever itself, it only issues bonds based on the bonds of the other concerns which are then deposited with the National Bank. The principal and interest of the latter bonds are payable in paper roubles, the bonds of the Central Bank in gold, and it has, therefore, constantly sustained losses caused by the downward course of paper money. It paid in 1873 a dividend of twelve per cent; in 1874, 10.45 per cent; in 1875, 12.65 per cent; and in 1876, five per cent; since then no dividends have been paid. And as the government is to blame for the depreciation of the currency, it was natural enough that it should come to the assistance of the bank in

1887 and pay in 3,000,000 roubles on its shares of the capital stock, thus making them fully paid up, besides refunding to the bank the actual loss sustained up to that time, viz: 3,400,808 roubles. The bank was, however, given to understand that in the future it would have to operate entirely at its own risk.

The respective series of bonds of this bank are redeemable in the course of twenty-seven and one-half, forty-three and one-half, and fifty-four and one-half years. Of five and one-half per cent bonds were in 1890 outstanding and known in Berlin, 7,192,500 roubles, and of five per cent bonds, 31,931,000 roubles. In 1890 the five per cent bonds were quoted in Berlin at ninety-three per cent.\*

In 1894 it was finally decided to liquidate this bank. After the market for the bonds of the smaller banks had become good, it was no longer needed. Its gold bonds will be converted into government bonds, and the Russian government will take control of all its assets, with the expectation of realizing perhaps only twenty-five per cent for the shareholders.†

The history of both the mutual and the joint stock mortgage concerns of Russia thus affords an illustration of the misfortune to a country of not having the same monetary standard as the rest of the civilized world, and the rates of interest at which bonds have been issued show a difference of over one-half per cent in favor of the gold bonds, as follows:

Rate of Interest.	Currency Bonds. Total amount issued.— Roubles.	Gold Bonds. Total amount issued.— Roubles.
	1,387,007,452	92,201,600
4 per cent.	none	0.7 per cent.
4½ “	1.1 per cent.	92.6 “
5 “	86.1 “	6.7 “
5½ “	11 “	none
6 “	1.8 “	“

\* W. Saling, *Berliner Börsenjahrbuch*.

† *Frankfurter Zeitung*, May 30, 1894. The 5½ and 5 per cent bonds will be exchanged for 3 per cent government bonds with a bonus of 11 and 10 per cent, to compensate for the lower rate of interest. (*L'Économiste européen*, 1894, p. 820.)



Which of the three different systems: mutual credit association, government banks, and private joint stock banks, is likely to gain the day is difficult to tell.

The real test of the strength of a mortgage loan institution is perhaps the rate at which it can obtain money. Up to the last conversion in 1890, the private banks, which for other reasons seem preferable, show inferiority in this respect.\* One cause probably is that when loans are made in bonds to be sold at the borrower's expense, sufficient regard is not had to the effect of new bonds on the money market. And another reason is that these banks have limited themselves to Russia alone as a market for their bonds.

At present, however, the bond quotations of the different institutions do not show any marked difference in favor of any except the bonds payable in coin.†

\* Bond Quotations, Bank of Moscow—1881-1891:

	Five per cent bonds.		Six per cent bonds.	
	Low.	High.	Low.	High.
1881 . . . . .	84½	87½	99½	100½
1882 . . . . .	79¾	85	94¾	100¾
1883 . . . . .	79¾	83	95	97½
1884 . . . . .	80½	84¾	95¾	98
1885 . . . . .	84	92½	97¾	101½
1886 . . . . .	92	96½	100¾	103
1887 . . . . .	92¾	95¾	100¾	103¾
1888 . . . . .	90½	94	99	102¾
1889 . . . . .	90¾	94¾	101¾	102¾
1890 . . . . .	91¾	97¾	101¾	105

† Bond Quotations, May 8, 1891, as reported by *L'Économiste russe*:

Mutual Associations.	Joint Stock Banks.	Government Concerns.
Kurland bonds, 5 per cent, 102.	Bonds of Russian banks (at time of conversion), 6 per cent, 101½, 102¾; 5 per cent, 101½, 102½.	Mortgage bank for the nobility, 6 per cent, 101 3-14, 102. Special section (formerly independent mutual association), 5 per cent, 102½, 102.
Bank of Kherson, 5 per cent, 101½, 102.	Bank of Tiflis, 6 per cent, 101½, 102.	Mortgage bank for the peasantry, 5½ per cent, 102¾.
Polish bonds, 5 per cent, 100, 100½.	Bank of Koutais, 6 per cent, 101½, 102.	Gold Bonds. (Currency Quotations.)
		Mortgage bank for the nobility, prize bonds, 216 per cent.
		Special section (formerly independent mutual association), 4½ per cent, 113 per cent.

On the whole the Russian mortgage concerns deserve admiration. In spite of innumerable difficulties, large amounts have been loaned at a trifle over five per cent. And while it is true that it is only through an absolute guarantee by the government that money has been obtained at less than five per cent, and although the peasants are still, where not assisted by the "Popular Banks," in the clutches of the village usurers, it cannot be doubted that the imitation of German methods of mortgage banking as above described has been of immense benefit to the Russian people.

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## BRIEFER COMMUNICATIONS.

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### THE BEGINNING OF UTILITY.

In a recent paper\* I discussed the relation of economics to sociology. I tried to show that the place of economics in the hierarchy of the sciences is before that of sociology; the theories of utility and of goods being necessary pre-suppositions in any study of social relations. Professor Giddings contends that there is no independent theory of utility.† Subjective utility, cost and value are all, in his opinion, social products having sociological antecedents. Apart from association, he claims that there can be no such thing as subjective utility. He endeavors to make the theory of utility a part of sociology by showing that only under social conditions can pleasurable feeling be voluminous enough to admit of appreciable distinctions of more or less. The capacity for pleasure, it is claimed, will remain infinitesimal unless the activity of the organism is aroused through concurrence, suggestion and imitation. It is assumed that if the organism experiences different degrees of utility, it will be conscious of this difference and recognize the relations existing between them.

This line of reasoning overlooks the fact that the failure to recognize degrees of utility may be due to the intensity of the pleasure, as well as to its lack of clearness and volume. A strong feeling or a passion shuts out comparison as completely as one of infinitesimal importance, just as an intense light may blind as completely as utter darkness. It does not, therefore, follow that a being with intense feelings can compare these feelings and be conscious of degrees of utility. To compare feelings a being must have the power to hold in consciousness two different feelings long enough to recognize their difference. A being which does not possess this power may enjoy every possible degree of utility without having its conduct influenced by their relations. We must, therefore, contrast sharply a capacity for intense pleasures with a power to appreciate degrees of utility. A being with a capacity for intense pleasure, may, however, act on a theory of utility as well as a being who is conscious of degrees of utility. It is, of course, a different theory of utility, and leads to another type of conduct. We are apt to think that there is only one theory of utility, because to us, as social beings, only one of the theories of utility is of importance.

\* "The Failure of Biologic Sociology," *ANNALS*, May, 1894.

† "Theory of Sociology," p. 25, Supplement to *ANNALS*, July, 1894.



When we have a number of increments of a commodity we attach but little importance to single increments. We know that if certain increments are taken away the remaining increments will satisfy our wants as completely as before. Our valuation of each increment is determined by the importance to us of the final increment. This is the well-known theory of final utility, according to which each increment of an object has the value of the final increment. A being, however, who has intense feelings, but has not the power of contrasting and comparing these feelings, will act on the theory of *initial* utility; that is, he will value each increment of an object by the importance of the first or initial increment to him. The formula of the theory of initial utility is: each increment of a commodity has the value to its possessor of the first or initial increment.

Suppose a hungry lion has captured a deer and another animal attempts to take a portion of it. The lion will resist this act fiercely. He will not reason that a small portion of the deer will satisfy his hunger and that the portion which the other animal desires will not affect him. He attaches the same importance to every portion of the deer that he attaches to the first portion he means to eat. When he has satisfied a part of his appetite his action is more moderate, but still he will resist any attempt to take a portion of the deer, with a vigor depending upon his appetite at the time. He always acts on the same theory, and values each portion of what he has left by the importance to him of the first portion of it. There is a gradual fall in the value as the hunger is satisfied, but there is no comparison of the successive states of feeling, and hence their relations to one another have no influence upon the valuation.

Suppose again, a hunter kills a deer. He cuts off a portion and gives it to his dog. He does this because he acts on the theory of final utility. He knows that a part of the deer will satisfy his appetite and that he loses nothing by giving a portion of it to his dog. The dog, however, will quarrel with any animal trying to take a part of the flesh given to him, although it may be much more than he can eat. He acts on the theory of initial utility and values each portion of what he has by the importance of the first part to him.

The difference between social and unsocial beings depends upon their theory of utility. The unsocial being adopts the theory of initial utility, and puts himself thereby in opposition to all other beings. He wants everything he sees, and he values the whole of any object by the utility of its initial increment. He regards anyone as a trespasser who invades his domain and is as hostile to him as he is to anyone trying to get a portion of his food. The peculiarities of primitive economic conditions favor the development of such beings.

Only a few favored localities have free food in abundance, and success in the struggle for existence depends upon the monopolization of these localities. The theory of initial utility aids a being in such a struggle, as it causes him to attach more importance to the exclusive possession of food and locality than he would otherwise attach to them. It promotes contest and activity, and thus leads to a more rapid development of function and desire. The increase of desire localizes a being still more. It causes him to reject the less edible kinds of food, thus reducing the variety of his diet and narrowing the region in which it can be found. So long as these conditions continue there is an increased adjustment to the local environment and a growing opposition in the interests of individuals. Social progress is impossible without a new theory of utility and other economic conditions.

Not only are intense feelings a characteristic of the pre-social state, but an appreciation of degrees of utility is also necessary before toleration, the first step in the social state, is possible. Beings must be conscious of the fact that additional quantities of articles have less importance to them than the first portion before they will tolerate the presence of other beings. They must associate the consumption of other individuals not with the initial increments of what they have, but with the final increments. Each being thinks of the others as consuming those portions of commodity which have little or no value to him. The conscious opposition between beings is thus reduced to a minimum and the favorable effects of association are allowed their due weight. Furthermore, the pain connected with driving others away from the locality and food becomes greater than the pain of losing the final increments of the food supply. The consciousness of degrees of utility and the acceptance of the theory of final utility thus opens the way for social activity.

Subjective cost, however, is of much later origin and has social antecedents. Professor Giddings speaks of the pain, weariness, terror and physical mutilation which accompany success in the struggle for existence as though they were costs.\* This is an error. True cost is not the pain that accompanies the struggle for food or its consumption, but rather the pains due to endeavors to increase the food supply. Costs arise only when acts of production begin. They are not the whole of the pains of existence, but only those that are consciously undergone for the purpose of increasing the supply of commodities. They can arise only when the growth of social instincts has caused individuals to give up the struggle for the free goods of the local environment and has led them to co-operate in the better

\* *Op. cit.*, page 28.

utilization of the general environment where conscious effort will give a greater surplus, even though true costs have now become a factor in the calculations of individuals.

When Professor Giddings says that man has "an enormously greater capacity for pleasure than any rival,"\* he evidently has total utility and not initial utility in mind. So also when he says, "Pleasure admits of indefinite increase, pain of indefinite decrease," he is thinking of the total quantity of pleasure and pain and not of the intensity of any particular variety of pleasure or pain. His argument, however, demands that the intensity of pleasure be increased by social action. He must show that the capacity for pleasure would remain infinitesimal but for social conditions. Social forces do undoubtedly increase total utility, but they do it not by increasing the intensity of the initial utility, but by raising the utility of the subsequent increments. The laws of variety and harmony of consumption produce this result in spite of the lowering of the initial utility which accompanies social progress. A high initial utility and a large total utility are not in harmony. The one indicates primitive and the other advanced social conditions.

It is easy to exaggerate the importance of association and co-operation by overlooking the abundance of free goods which certain localities afford to primitive unsocial beings. The struggle for the possession of these regions develops intense pleasures, but prevents any marked increase of total utility. Toleration, association and imitation belong to a later stage of development when degrees and sums of utility are objects of conscious calculation. Production can then begin; true costs arise and the amount of the surplus instead of the mere intensity of pleasure determines action. These forces cause beings to utilize the general environment instead of to struggle for the possession of a favorable local environment. There is a loss of the free goods which the local environment might afford to a few individuals, but it is more than compensated by the increase in total utility which the new conditions afford. Society begins when the economic tendencies favor an adjustment to the general environment and thus make the surplus of the whole society instead of that of certain individuals the determining element in the struggle for existence.

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#### PRESENT CONDITION OF SOCIOLOGY IN THE UNITED STATES.

In a discussion of the present condition of sociology in this country, we must not confound sociology with social problems. Social problems are questions growing out of abnormal social relations. Sociology

\* *Op. cit.*, page 28.



is the science which proposes to investigate social relations. There is at present a great deal of thinking about social problems, much of which is entirely independent of a sociological science. Our purpose is to set forth the present condition of thought about sociology.

Even among those who have studied the science most, there are vague and conflicting notions about its method and what it proposes to do. Some hope to extract from metaphysics a "golden medical discovery" that will cure all social aches and pains, or at least a formula that will solve the most intricate social problem. Others, mistaking a means for an end, think that the sole business of sociology is to go nosing about in the slums to find out how the other half lives. Some persons condemn the science because of this latter conception. This is the idea and the feeling of a certain professor of English, who is reported to have said, "What is the use of sending out students of sociology to observe the conditions of life among the poor, when Dickens and Thackeray have done all that work much better than they can hope to do it?"

Several years ago Professor Sumner, of Yale College, defined sociology as "the science of life in society; it investigates the forces which come into action wherever human society exists. Its practical utility consists in deriving the rules of right social living from the facts and laws which prevail by nature in the constitution of society;" and Professor Giddings, of Columbia College, says that "general or philosophical sociology is a broad but penetrating and thorough scientific study of society as a whole—a search for its causes, for the laws of its structure and growth, and for a rational view of its purpose, function, meaning or destiny." We shall see that among sociologists there is a wide difference of opinion in regard to the content of these definitions. If one expects to find, in present sociological thought, a definite conception of the nature and function of the science of sociology, or a clear body of thought concerning its scope, its method and its object, he will be disappointed. It takes a science a long time to free itself from charlatantry and metaphysics, and to formulate precise definitions. This is the task which sociology is now trying to accomplish. And while it is thus engaged it cannot make great headway in popular favor.

With this preliminary suggestion of what we shall find, let us now examine the condition of thought among sociologists themselves. In order to determine this condition, I recently wrote to all the teachers of sociology in the United States, and to others known to be deeply interested in the subject and entitled to express an opinion, and asked them to answer the following questions:

1. Which term do you prefer, Social Science or Sociology?

2. Do you think the study is entitled to be called a science?
3. In what department does it belong?
4. What is its relation to Political Economy, History, Political Science, Ethics?
5. How much of the subject, if any, should be taught in the high school?
6. In what year of the college course should the subject be introduced, and what subjects do you regard as directly preparatory?
7. What is the nature of the course that should be offered to undergraduates?
8. Would you divide the subject into descriptive, statical and dynamic, and in what sense do you use each of these terms?
9. What relative importance does the treatment of the dependent, defective and delinquent classes hold?

Notwithstanding the disagreeable suggestion of an unauthorized examination which my letters must have raised, they received from most of my correspondents immediate attention. About forty have replied. Of these, three pleaded knowledge insufficient to entitle them to an opinion. All the others gave answers to at least some of the questions. From the nature of the case, answers could not be otherwise than brief. In this respect one reply is a model. One would scarcely think that the fourth question, What is the relation of Sociology to Political Economy, History, Political Science and Ethics, could be dealt with briefly. But one writer disposes of it as follows: "The relation of Sociology to Political Economy, History, etc., is *close*." On the whole, however, the replies are far more complete and more carefully written than I expected to receive. A brief summary of the opinions expressed will illustrate the condition of thought about sociology among those who ought to be informed. Do not anticipate from this summary a clarification of sociological ideas, but look rather to see the confusion in which sociological thought is involved. We shall take up each question separately.

In answer to the first question, only six expressed themselves as preferring the term Social Science. Among the reasons offered for preferring this term are its breadth and the popular prejudice against an increase in the number of the "ologies." Three find a use for both terms, two using them interchangeably. Still another writes, "Personally I prefer neither, but should like to see the term Politics used in the broad Aristotelian sense, reserving the term, Political Science for the narrower region relating to governmental relations." The great majority, however, are in favor of using the name Sociology because, they say, it is one word, and has also its adjective, sociological. While not assuming so much as "Social Science," it suggests

more unity, and distinguishes itself from several social sciences. Moreover, it has been adopted by such men as Comte, Spencer, Ward, Giddings and others. No objection was offered on account of the etymology of the word. The name, then, that seems to have the field is Sociology.\*

But is sociology a science? Fully three-fourths of the answers to this question are in the affirmative. Some say it is a "becoming science." Professor John Bascom, of Williams College, writes, "It is a question of degrees. It will do no harm to call it a science if we do not abate our effort to make it one." The definition of science upon which these answers seem to be based is a systematized body of knowledge, or as Professor John R. Commons, of Indiana University, puts it, "The study and classification of a body of facts, with a view to discovering co-existences and sequences." But there is another point of view from which the question may be regarded, namely, Is there a special field for sociology? Does it justify itself by showing a qualitative differentiation from antecedent sciences? Those who recognize this point of view think that sociology either is or is rapidly becoming a science.

How then, we ask, shall this new science be classified? In what department does it belong? Most of the teachers of sociology think it ought to form a department by itself. Some would place it in the department of the social sciences, along with politics, economics, jurisprudence, etc. Others would change the order, making all the social sciences divisions of sociology. On the other hand, Professor Giddings says, "General sociology cannot be divided into special social sciences, such as economics, law, politics, etc., without losing its distinctive character. It should be looked upon as the foundation or groundwork of these sciences, rather than as their sum or as their collective name." Scattering replies place it under psychology, moral

\* While adopting this term, some complain of its misuse. Professor G. W. Patrick, of the University of Iowa, writes, "The word Sociology has been much used in this country, unfortunately, I think, as synonymous with the science of Charities and Corrections." And Professor William MacDonald, of Bowdoin College, says, "I prefer the term Sociology, understanding by that term the science of human society. The use of the term to denote systematic inquiry into the subjects of crime, pauperism and labor seems to me narrow, and likely to withdraw attention from more important and more fundamental inquiries." The word "Sociology," as first used by Comte in the "*Cours de Philosophie positive*," was a "name for that part of a positive or verifiable philosophy, which should attempt to explain the phenomena of human society. It was exactly equivalent to 'social physics,' for the task of Sociology was to discover the nature, the natural causes, and the natural laws of society, and to banish from history, politics, economics, etc., all appeals to the metaphysical and the supernatural, as they had been banished from astronomy and chemistry."—Professor Franklin H. Giddings.



and political science, political economy and anthropology. One teacher thinks it belongs under the "humanities," while two say it has no natural boundaries, and is therefore not included in any one department. A general feeling in regard to the question is expressed, perhaps, by Professor John Dewey, of the University of Chicago, who says, "I don't feel at all sure. It would seem well to have it a separate branch, in order to make sure that it received proper attention, but I think its separation a great pity if it means isolation from any of the great subjects mentioned in question four; *i. e.*, Political Economy, History, Political Science and Ethics." "Sociology," he continues, "should be a sort of meeting place for the organized co-operation of these subjects, it supplying the general theory and principles and progress, they filling in the *media axiomata* and the special facts."

These answers indicate the opinion in regard to the matter inquired about in the next question, namely, the relation of sociology to political economy, history, political science and ethics. Those who believe that all these branches are departments of sociology content themselves by merely saying so. Those who regard sociology as an independent science think its function is to co-ordinate the results of these special sciences, or that sociology studies the same phenomena from a different point of view; that is, sociology treats of the phenomena of economics, etc., that are due to the existence of society. For this study history furnishes material. It is the medium through which sociological phenomena must be observed.\* "History," says

\* But history is dependent upon sociology for its topics and its valuation. "I would like to emphasize this thought," says Professor James R. Weaver, of De Pauw University, "that history may be taught best through some such study as constitutional law, the theory of the state, international law, or sociology." To better indicate the points of view, I give a few answers to this fourth question in full. "I should adopt a classification like that of DeGreef. History is sociological evolution. I should say that ethics looked at, not from an historical and descriptive standpoint, but from that of improvement, is identical with Sociology. It is Sociology working toward the goal of human betterment."—Professor J. R. Commons, Indiana University,

"Political economy is not a department of social science, nor is political science. Both furnish materials to social science, but are to have their independence respected. This last is true of history as a fundamental discipline. Ethics is merely a related subject according to the Intuitionist Conception. Conceived in its evolutionary aspect, it is parallel with political economy and political science, as aiding social science."—Professor D. Collin Wells, Dartmouth College.

"History simply contributes material to this as to all the other social sciences. Ethics, understood not as a science of life, but as a science of conduct, is a department of Sociology. Political economy and politics lie partly within and partly without the field of Sociology, but they are so special, so highly developed, and, moreover, comprise so much that is so technical, that they should not be regarded

one, "is its material, ethics its guide, political economy its interpreter, and a rational system of political science its proposed end." Many express themselves as in doubt about the relation of ethics to sociology. Professor Anthony, of Bates College, says that "Sociology is Political Economy in practice, History in the making, Political Science as an art, and Ethics applied." And this view of ethics is held by Professor Peabody, of Harvard, who describes sociology as ethics applied to the economic situation.

Coming now to the opinions expressed in regard to the time when the study of sociology should be introduced into the schools, we find decidedly more agreement. Only six think any part of sociology should be taught in the high school, and three of these, owing to the absence of suitable textbooks,\* think it is of doubtful utility. Professor Commons thinks the high school should teach "descriptive sociology, local, State and federal government, administration, labor, capital, pauperism, etc., the whole subject treated objectively, beginning with the best known facts in the locality and proceeding outward, one-half hour a day more or less during the entire high school course." "The teacher," he says, "could make it an exercise for the entire school, and by alternating the subjects, the teaching force would not have to be enlarged." Professor Charles R. Henderson, of the University of Chicago, would have a brief sketch course introduced very early.† This course should provide for systematic observation of familiar social facts. There is almost general agreement, however, that sociology proper is a branch that cannot be successfully taught outside of the college or university.

As to what year in the college course the study should be taken up, there is some uncertainty and much difference of opinion. Twenty-four as branches of Sociology, but as independent sciences.—Professor E. A. Ross, Leland Stanford Jr. University.

"Political economy and social science have to do with many questions intimately related, and so affecting each other that it is difficult to separate them. History, recording the evolution of society, must take account of many causes and events, the laws and institutions entering into its structure. The study of social science gives opportunity for pointing out the results of certain forces operating during a certain historic period, and I, therefore, regard the relation of social science and history as very close and important."—Professor H. L. Reynolds, Adrian College.

\* Professor A. W. Small and Mr. George E. Vincent, of the University of Chicago, have recently published an excellent textbook entitled, "An Introduction to the Study of Society."

† Professor Henderson says: "Sociology should not be introduced as a formal and separate study before the second year of the college course, and then only in a general survey to precede special social studies. But from the time that children begin to study geography and history in the schools, a teacher acquainted with sociological methods can train pupils in the habit of observing, classifying, naming and reasoning upon the social phenomena."

answer the question directly. Of these, four would have sociology taught in the Freshman year, two in the Sophomore, five in the Junior, and thirteen in the Senior year. Others were uncertain, or felt unprepared to answer. As a matter of fact, most of the courses in sociology offered in the United States are graduate courses, or Senior year electives. As preparatory studies, history takes the first rank, with political economy second. Ethics, psychology and biology are also named by many as desirable, biology, especially, for besides encouraging the scientific habit of mind, it gives a definite and concrete conception of the theory of development as worked out in that science, which is useful in the study of social evolution. Logic, political science, civics and anthropology are each mentioned once. Dr. A. W. Small would have descriptive sociology taught as a preparation for all the special social sciences, and then, after a preparation has been gained in biology, psychology, history, ethics, political science, and, if possible, anthropology, he would introduce the elements of statical and dynamic sociology. Preparatory studies aside, the opinion seems to be all but general that every well-regulated college and university should offer a course in sociology to its undergraduates.

What should be the nature of that course? To this question I received few definite replies. "General summary," "elementary and stimulating," "only those topics which illustrate economics," and other like answers, are too vague to be effectively summarized. The implied opinion seems to be expressed in the reply of Professor C. H. Cooley, of Michigan University, which I quote: "In my opinion, such a course should consist of two parts: first, a concrete survey of historical forms of association from the primitive family—or horde—down to the numerous and complex associations of the present day. This survey should be something more than a condensation of the history of institutions. It should be unified throughout by applying to all institutions certain fundamental questions relating to their sociological character—such as how far they are free, how far coercive, whether vague and indefinite or formal and binding; the physical mechanism of their organization, as transportation and the facilities for the production and preservation of material goods; the psychical mechanism—means for the dissemination and preservation of thought, communication, law, custom, morality and literature. These things have been much studied in themselves, but little as factors of association.

"The second part of the course should attempt a searching and somewhat detailed analysis—a Theory of Association. To show what I mean I would cite the first two volumes of Schäffle's '*Bau und Leben*,' as an attempt to work out such a theory. To accomplish an analysis of association is the main end of the study, but I believe that



the concrete historical survey will be found indispensable as an introduction. Let the student pass from historical facts and proximate explanations to a more general and penetrating analysis."

We come now to the question whether, for purposes of study and investigation, sociology should be divided into descriptive, statical and dynamic. Out of twenty-three answers to this inquiry, nine are in favor of such a division, while fourteen are opposed. In the University of Chicago and in the Leland Stanford Jr. University this division is adopted. It will be interesting, therefore, to know in what sense the terms are used. Dr. Small defines the term "descriptive" as applied to sociology as the "correlation of historical and analytical facts about society as it has been and is;" "statical," as "the ideal of society in equilibrium, essential social structure and needs being the criterion;" and "dynamic," as "the doctrine of the application of available social forces for approach to the ideal." Professor Ross defines the terms as follows: "'Descriptive,' a preliminary survey to provide actual data; 'statical,' seeks to distinguish social types, and the forms of institutions, in order to determine the laws of their co-existence and sequence; 'dynamic,' studies the forces underlying social phenomena and causing movement and change, in order to ascertain the laws of their action, and thereby the mode of controlling them for the furtherance of social progress.'"\* The objections urged against this division are that the terms are too vague, not co-ordinate, and that description is not a *division* of science. Professor H. H. Powers, of Smith College, writes: "Description is a necessary part of scientific work, but not a division of the science. The science is necessarily dynamic in its fuller treatment, in that it treats of forces in action, evolution in progress. To lose sight of this for a moment, to explain the family, the state, religion, etc., as accomplished or fully evolved facts is the greatest difficulty we have to meet. To overcome this vicious habit of assuming momentary aspects of social institutions as norms of judgment, we cannot too often or stoutly insist that the science is dynamic, and all its elementary substances plastic, nascent, and ever entering into new combinations. Static studies are not co-ordinate with, but subordinate to this fundamental conception. They are valuable as giving us temporary and local phases of social combinations,

\* Professor Dewey says: "I thus divide it. The term descriptive seems to me necessary at present, but I think ultimately all material now put under that head should find a place under statical and dynamic. It appears to me to be a separate head simply in so far as there is a mass of facts whose significance with reference to general principles is not, as yet, seen. Statical, I consider the principles of social organization as such; the structural relations, the morphology. Dynamic is the theory of social movement as such; the functioning of the organs so far as they involve modification of structure,—the physiology."

instantaneous photographs of a moving scene in successive moments. But it takes many such pictures to suggest the moving and changing fact. There is no approximation to equality between a static and a dynamic study."

This point of view is taken by several. A few propose other divisions, as for instance, historical, practical and theoretical; and again, historical, comparative, or descriptive, theoretical and applied. Professor Giddings adopts the following division: Ethnographic, demographic, and social pathology; Ethnographic, in the sense of the general sociology of those savage and barbarous peoples who are organized in herds, clans and tribes; Demographic, as the sociology of the great modern populations which are politically organized in national States; and Social Pathology, as the study of abnormal social phenomena. "Many sociologists," says Professor Giddings, "would maintain that a constructive general sociology can be built up only on the basis of researches in social pathology."

And this leads us to the last question, in regard to the importance of social pathology, or the treatment of the dependent, defective, and delinquent classes, as a branch of sociology. "The treatment of these classes," says Professor Chapin, of Beloit College, "holds a place somewhat analogous to that of pathology in medical studies." And this is the opinion of Professor Henderson,\* Professor Peabody,† and many others. To quote again Professor Giddings: "Social pathology has for the sociologist the same importance that physical or mental abnormality or illness has for the physiologist or the psychologist. The abnormal reveals and defines the normal." On the other hand, there are those who deny to social pathology this important place. "The treatment of these classes," says Professor James W. Cain, of St. Johns College, "would come more fittingly under political science, or better still, under practical politics. With the treatment of any class sociology can have nothing to do." To the same effect and more emphatically, Professor Powers writes: "Sociology is not social pathology. The tendency to confound the two is contrary to etymology and all scientific precedent and experience. We shall never understand the abnormal till we have understood the normal and determined the norm

\* Professor Henderson's view is stated as follows: "As there is normal anatomy, physiology and hygiene of the sound and growing body, so there is a morbid anatomy, physiology and therapeutics of the broken and diseased body. Study of the abnormal must be carried on in relation to the study of the natural life of society, and social pathology thus comes to be a special department under general sociology: statical, and dynamical."

† "The treatment of charity," says Professor Peabody, "must be preliminary and subordinate to the larger question of those who can help themselves. It is the pathological side of the subject."

from which to measure the degree of departure. The study of dependents, etc., has failed both of scientific accuracy and profitable reforms on account of the variously vague notions regarding normal man and the consequent direction which reform should take. Those who begin with the study of the abnormal, usually assume, at least unconsciously, that the normal is largely present in society and is static. The abnormal needs, therefore, to be conformed to it. As a matter of fact, the normal does not exist except as an evolving fact, and the abnormal is an incident of it, a lateral moraine of the moving glacier of society. Only the glacier and the law of its movement can explain the moraine. Social pathology is an exceedingly important science belonging to a secondary group—criminology, of classes, etc."

This brief presentation of many conflicting opinions is far from satisfactory. But my task is not to clear up ideas about sociology, but to show the chaotic condition of sociological thought.

The inability of sociology to answer certain questions, scientific and pedagogic, only shows what every sociologist admits, that the science is in a more or less undefined and tentative position. It does not disprove the existence of the science. "Sociology exists," as Herbert Spencer wrote, "because there exists a social organism." It is still a very incomplete science. The same may be said of all the other concrete sciences. Sociology is far behind many of them, but they have all passed through their formative periods, and faced the objections of irrelevancy and futility. There was a time when physics and astronomy "belonged to the divine classes of phenomena in which human research was insane, fruitless and impious." But they have outlived these objections. And so also will sociology.

*Chicago.*

IRA W. HOWERTH.

#### THE IMPROVEMENT OF COUNTRY ROADS IN MASSACHUSETTS AND NEW YORK.

The improvement of country roads is a subject that is rightly receiving a large amount of attention on the part of scholars and men of business. The marked inferiority of the highways in America as compared with those of European countries has led to an earnest attempt by several States to inaugurate a reform. What has been done is but a beginning; the demand for better roads may be expected to strengthen with the increase of intelligence on the subject and as the necessity for them becomes greater because of the growth in the density of population. More has been done by New York and Massachusetts than by the other States, and the laws passed last year by these two States may well be referred to.



Massachusetts has frequently been in the van of movements for reform, and so she is in the attempt to secure good roads. The Legislature, in 1892, passed "An Act to Establish a Commission to Improve the Highways" of the Commonwealth. This commission made a report, February, 1893,\* in which were discussed the topography of the State, the road material of Massachusetts, the condition of Massachusetts roads, the economics of Massachusetts roads, and methods of construction. The report was made by George A. Perkins, W. E. McClintock and N. S. Shaler, and contained a good deal of valuable information.

In June, following this report, the Legislature passed an act establishing a permanent "highway commission [of three men] to improve the public roads" and defining its powers and duties. The main features of this act are contained in section six, which reads as follows:

"Whenever the county commissioners of a county adjudge that the common necessity and convenience require that the Commonwealth acquire as a State highway a new or an existing road in that county, they may apply by petition in writing to the Massachusetts Highway Commission, stating the road they recommend, and setting forth a detailed description of said road by metes and bounds, together with a plan and profile of the same. Said commission shall consider such petition, and if they adjudge that it ought to be allowed, they shall in writing so notify said county commissioners. It shall then become the duty of said county commissioners to cause said road to be surveyed and laid out in the manner provided for the laying out and alteration of highways, the entire expense thereof to be borne and paid by said county. Said county commissioners shall preserve a copy of such petition, plans and profiles with their records for public inspection. When said commission shall be satisfied that said county commissioners have properly surveyed and laid out said road, and set in place suitable monuments, and have furnished said commission with plans and profiles, on which shall be shown such monuments and established grades, in accordance with the rules and regulations of said commission, said commission may approve the same, and so notify in writing said county commissioners. Said commission shall then present a certified copy of said petition, on which their approval shall be indicated, together with their estimates for constructing said road and the estimated annual cost for maintaining the same, to the Secretary of the Commonwealth, who shall at once lay the same before the Legislature, if it is in session, otherwise on the second Wednesday of January following. If the Legislature makes appropriation for constructing said road, said commission shall cause said road to be constructed in accordance with this act, and when completed and approved by them, said road shall become a State highway and thereafter shall be maintained by the Commonwealth under the supervision of said commission."

Massachusetts has thus established a State Commission, one of whose powers enables it to co-operate with the county commissioners in the conversion of the more important roads into State highways under State control. The commissioners appointed in 1892 were reappointed under the act of 1893.

\* "Highways of Massachusetts." Report of the Commission to Improve the Highways of the Commonwealth. February, 1893. Pp. 238. Boston: 1893.

New York is trying the county system, as recommended by Governor Flower. The Legislature passed an act in the spring of 1893,\* by means of which

"The board of supervisors of any county may, by a concurring vote of at least a majority of the members thereof, by resolution, adopt the county road system, and shall, as soon as practicable after the adoption of such resolution, cause to be designated as county roads such portions of the public highways in such county not within an incorporated village or city as they shall deem advisable. . . . The roads so designated shall, as far as practicable, be leading market roads in such county."

Each county adopting this system shall have an engineer appointed by the board of supervisors. "The expense of maintaining the county roads of each county shall be a county charge."

New York now has three systems of road-making: (1) The town system by which the taxpayers are allowed to work out their assessments; this is known as "The Labor System of Taxation." (2) The town system having "The Money System of Taxation." (3) The county system as provided for by the law of 1893. The adoption of the money system of taxation is optional with the town; the county system, as stated above, depends upon the will of the county supervisors.

Shortly after the passage of the law making the county system permissive, the New York Legislature provided for the publication and distribution of a "Highway Manual of New York,"† containing a compilation of the highway laws of the State, defining the powers and duties of highway officers and resident taxpayers, and giving diagrams and practical suggestions and directions for grading, building roads, etc. The manual, as prepared by N. S. Spalding, assisted by three Commissioners of Statutory Revision, Daniel Magone, Charles A. Collin and John J. Linson, is a well-arranged compendium of the laws of New York. The part devoted to "Practical Suggestions on Highway Construction and Maintenance," though well done, does not equal the work of the Massachusetts Commission. The manual of New York was distributed free of charge among town clerks and the highway commissioners and overseers throughout the State, and was sold to other persons at seventy-five cents a copy. It was a wise method of promoting a greater intelligence concerning good roads.

It is yet too early to judge of the workings of these laws. They are both permissive, rather than mandatory in character. They put both the State and county systems on trial. The results will be noted with interest.

EMORY R. JOHNSON.

*University of Pennsylvania.*

\*Laws of 1893, chapter 333.

†"Highway Manual of the State of New York." Published in pursuance of Chapter 655 of the Laws of 1893. Pp. 359. Albany: 1893.

## PERSONAL NOTES.

### AMERICA.

**Bowdoin College.**—Mr. Henry Crosby Emery has been appointed Instructor in Political Economy and Sociology at Bowdoin College, Me. He was born December 21, 1872, at Ellsworth, Me. He attended the Ellsworth public schools and in 1888 entered Bowdoin College, from which he graduated with the degree of A. B. in 1892. The next year he studied at Harvard, receiving the A. M. degree in 1893. During the past year he has held a University Fellowship in Social Science at Columbia College.\* Mr. Emery is a member of the American Economic Association and of the American Academy of Political and Social Science.

**Chicago, Ill.**—General Matthew Mark Trumbull, distinguished as soldier, in the political world and as a writer on social and economic questions, died in Chicago, on May 9, 1894. He was born in London, on December 30, 1826. His parents were so poor, that after obtaining a very elementary education, he was started to work at the age of thirteen. He took an active part in the Chartist movement, and as a young man came to America to secure that chance in life which he did not have in England. He landed at Montreal, Canada, and started to work as a day laborer on the railroad. The following year he went to Boston, where he was also employed as a laborer. While in Canada he taught school in the winter, perfecting himself by studying at night. At the outbreak of the Mexican War he enlisted as a private in the United States Artillery. After the war he was employed as a laborer in the South and West, devoting his spare time to studying law and in the winter teaching school. He was finally admitted to the bar and started practicing in Iowa. In 1857 he was elected to the Legislature. When the Civil War began he again enlisted and was chosen captain. He soon rose in rank on account of his distinguished services and became successively lieutenant-colonel, colonel and brigadier-general. After the war General Trumbull was elected District Attorney and was appointed Collector of Internal Revenue for Iowa by President Grant.

General Trumbull edited the "Current Topics" department of the *Open Court* from May, 1890, until his death. Besides contributions to the *Arena*, *Nineteenth Century*, etc., he wrote:

\* See *ANNALS*, vol. iv, p. 467, November, 1893.



"*The Free Trade Struggle in England.*" Chicago, 1882. Second edition. Pp. 280. 1892.

"*The Ethics of Legal Tender.*" Open Court, Vol. VII.

"*The Decline of the Senate.*" Open Court.

"*Pensions for All.*" Popular Science Monthly.

"*Earl Grey on Reciprocity and Civil Service Reform.*" Pp. 27.

"*Wheelbarrow.*" Pp. 303. Chicago, 1894.

"*The Parliament of Religions.*" Monist, April, 1894.

**Chicago University.**—Mr. Charles Thompson Conger, formerly Docent in Political Geography at the University of Chicago, has been advanced to Assistant in History and Political Geography. Mr. Conger was born in New York City, on December 14, 1863. He attended the New York public schools, and in 1885 entered the University of Minnesota, from which he graduated in 1890 with the degree of A. B. The two years following he acted as Secretary to the Board of Education of Minneapolis. Mr. Conger then went abroad to study, spending 1892 at the University of Oxford and 1893 at the University of Berlin. In the latter year he became Docent in Political Geography at the University of Chicago.

Mr. Conger is a member of the National Geographical Society, of Washington, D. C. He has written:

"*Geography at the World's Fair.*" The Geographical Journal, February, 1894.

Mr. John Cummings, who for the past year has been Senior Fellow in Political Economy at the University of Chicago, has been appointed Reader in Political Economy at that University. He was born on May 18, 1868, at Colebrook, Coos County, N. H. His early education was obtained at the public schools of Woburn and Lynn, Mass. In 1887 he entered Harvard University and graduated with the degree of A. B. in 1891. During 1891-93 he pursued post-graduate studies at Harvard, receiving in 1892 the A. M. degree. During the past year he studied at the University of Chicago, and in June received the degree of Ph. D.\* His thesis was on the "*United States Poor Laws.*" He has also written:

"*Monetary Standard.*" Journal of Political Economy, June, 1894.

**Mr. Howard Benjamin Grose**, formerly Instructor in History in the University Extension Faculty of the University of Chicago, has been advanced to the position of Assistant Professor of History. Mr. Grose was born at Millerton, Dutchess County, N. Y., on September 5, 1851. Most of his early education he obtained by study at home in the evenings. In 1870 he entered the old University of Chicago, having spent a year in the preparatory school of that University. After four years

\* See below p. 134.

there he entered the University of Rochester, in 1875, and received in 1876 the degree of A. B. from that college. In 1881 he received from the University of Rochester the degree of A. M.

From 1877 to 1880 he was New York correspondent of the *Chicago Tribune*, and from 1880 to 1883 was on the editorial staff of the New York *Examiner*. The next four years he was pastor of the First Baptist Church of Poughkeepsie, N. Y., and from 1888 to 1889 was pastor of the Fourth Baptist Church of Pittsburgh, Pa. In 1890 he became President and Professor of Philosophy at the State University of South Dakota, which position he resigned in 1891 to go to Berlin to study history. He returned in 1892 to become Instructor in Modern History in the Extension Faculty of the University of Chicago.

Rev. Charles Richmond Henderson has been advanced from Assistant Professor to Associate Professor of Social Science at Chicago University. Professor Henderson was born at Covington, Fountain County, Ind., on December 17, 1848. After studying at the Lafayette (Ind.) High School, he entered the old University of Chicago, from which he received the A. B. degree in 1870, and the A. M. degree in 1873. The same year he received the degree of B. D. from the Baptist Union Theological Seminary and ten years later (1883) the degree of D. D. from the same institution.

From 1873 to 1882 Dr. Henderson was pastor of a Baptist church in Terre Haute, Ind., and from 1882 to 1892 of the Woodward Avenue Baptist Church in Detroit, Mich. He resigned his last charge to become Recorder and Assistant Professor of Social Science at the University of Chicago. Professor Henderson has always been active in charitable and educational work. For twenty years he served on the Board of State Missions (ten in Indiana and ten in Michigan) and for ten years was a trustee of Kalamazoo College. He has served also on the Board of Direction of the Rose Orphan Home, the Terre Haute Society for Organizing Charity, the Michigan House of Industry for Discharged Prisoners and the Detroit Association of Charities. He acted as Chairman of the Arbitration Committee between the Detroit Street Car Companies and their employees.

Professor Henderson has written much for the daily papers, especially the *Detroit Free Press*, on social questions. He is the author also of the following:

"*Pauperism.*" Baptist Review, 1880.

"*Methods of Help for Young Men in Cities.*" Proceedings of State Y. M. C. A., Michigan, 1891.

"*Women's Work.*" Science, 1892.

"*Methods of Reform.*" Proceedings of Michigan Board of Charities and County Agents.

"*Methods of Child Saving.*" Report to Board of Rose Orphan Home.

"*Dependents, Defectives and Delinquents.*" Pp. 272. Chicago, 1893.

"*On Charity Organization and the Churches.*" Proceedings of the National Conference of Charities and Corrections held at St. Louis.

"*The Argument Against Public Out-Door Relief.*" Proceedings of the National Conference of Charities and Corrections held at Indianapolis.

"*Industrial Education as a Preventive of Crime.*" Detroit National Prison Congress.

"*Comparative View of Public and Private Charities.*" Proceedings of the International Congress of Charities and Corrections, Chicago, 1893.

"*Individual Efforts at Reform not Sufficient.*" Proceedings of the Religious Congress, Chicago, 1893.

"*The Church and the Workingman.*" Evangelical Alliance, 1893.

"*The Relation of Trades-Union Men to the Church.*" Chautauqua Herald, August, 1893.

Mr. William Hill \* has been advanced to the position of Instructor in Political Economy at the University of Chicago. He has recently published:

"*First Stages of the Tariff Policy of the United States.*" Publications of the American Economic Association, Vol. VIII, No. 6, November, 1893. Pp. 162. Ithaca, N. Y.

"*Protective Purpose of the Tariff Act of 1789.*" Journal of Political Economy, December, 1893.

Mr. Francis W. Shepardson, formerly Reader in History at the University of Chicago, has been advanced to Assistant in History in the University Extension Faculty. Mr. Shepardson was born at Cheviot, Cincinnati, Ohio, on October 15, 1862, and obtained his early education at the Granville, Ohio, public schools. He graduated from Denison University with the degree of A. B. in 1882 and received the same degree from Brown University the following year. In 1886 he received the degree of A. M. from Denison. From 1883 to 1887 he taught in the Young Ladies' Institute at Granville, Ohio. For the three years following he was editor of the Granville Times. In 1890 he entered Yale University and received in 1892 the degree of Ph. D. † The same year he was appointed Docent in History at the University of Chicago. Dr. Shepardson has written:

"*Is the Puritan Element Overestimated?*" Denison Quarterly, January, 1893.

\* See ANNALS, vol. iv, p. 458, November, 1893.

† See ANNALS, vol. iii, p. 242, September, 1892.



"*The Traveling Library and How to Use It.*" University Extension World, March, 1893.

"*The Traveling Library.*" University Extension, September, 1893.

"*Graduate Work in the University of Chicago.*" Denison Quarterly, January, 1894.

He has also been connected in an editorial capacity with the *University Extension World*, of Chicago.

Dr. Thorstein B. Veblen\* has been advanced from the position of Reader in Political Economy to that of Instructor in the same subject at the University of Chicago.

Mr. George Edgar Vincent has been appointed Assistant in Sociology in the University of Chicago. He was born at Rockford, Ill., on March 21, 1864, and studied in the public schools of Plainfield, N. J., and in Dr. Pingrey's school, at Elizabeth, N. J. He entered Yale College in 1881, graduating with the degree of A. B. in 1885. Since 1889 he has been Vice-Chancellor of the Chautauqua System of Education, and since 1892 he has been pursuing post-graduate studies at the University of Chicago. During the past year he held a University Fellowship in Social Science.† Mr. Vincent is a member of the American Academy of Political and Social Science.

In collaboration with Professor Albion W. Small, he has just published:

"*An Introduction to the Study of Society.*" Pp. 375. New York, 1894.

**Colby University.**—Dr. James W. Black‡ has been appointed Professor of History and Political Economy at Colby University, Waterville, Me.

He has recently published:

"*Historical Sketch of Georgetown College,*" in the Bureau of Education monograph on "Higher Education in Kentucky."

He has translated Laveleye's "*La Question monétaire,*" and is at work upon a translation of Laveleye's "*La Monnaie et le Bimétallisme international.*"

**University of Colorado.**—Dr. James A. McLean has been appointed Professor of History, Economics and Political Science at the University of Colorado, at Boulder. He was born August 2, 1868, in Middlesex County, Ontario, Canada, and obtained his early education at the Collegiate Institute, Strathroy, Ontario. From 1888 to 1892 he studied at the University College of Toronto, receiving the B. A.

\* See ANNALS, vol. iv, p. 649, January, 1894.

† See ANNALS, vol. iv, p. 314, September, 1893.

‡ See ANNALS, vol. iii, p. 373, November, 1892.

degree in the latter year. The following two years he pursued post-graduate studies at Columbia College, New York, and received from that institution the degree of M. A. in 1893 and the degree of Ph. D. in 1894. \* Professor McLean, in addition to his position at Colorado, is Examiner in Political Science in the University of Toronto.

**Columbia College.**—Mr. Arthur Morgan Day has been appointed Assistant in Political Economy and Social Science at Columbia College. Mr. Day was born on April 12, 1867, at Danbury, Fairfield County, Conn. He attended the public schools in his native town, and in 1888 entered Harvard University, where he studied four years as an undergraduate, receiving in 1892 the degree of A. B., and two years as a graduate student, receiving the A. M. degree in 1894. The past year he has been Assistant in History at Harvard.

**Cornell University.**—Dr. Herbert Tuttle, Professor of Modern European History, of Cornell University, died on June 21, 1894. He was born at Bennington, Vt., on November 29, 1846. His early education was obtained at public and private schools in Bennington and in Burlington, Vt., and Hoosic Falls, N. Y. He studied at the University of Vermont, graduating in 1869 with the degree of A. B. He also received in after years the degrees of A. M. and L. H. D. After leaving college he engaged in newspaper work for ten years. Then, in 1880, he was appointed Lecturer on International Law at the University of Michigan. The following year he became Associate Professor of Institutions and International Law at Cornell University. In 1887 he was made Professor of the History of Political Institutions and of International Law at Cornell, and in 1891 became Professor of Modern European History. Professor Tuttle was a member of the American Historical Association and of the Société pour l'histoire diplomatique. Besides numerous articles in periodicals, Professor Tuttle wrote several works on German history:

"*German Political Leaders.*" Pp. 260. New York, 1876.

"*History of Prussia to the Accession of Frederick the Great.*" Pp. 498. Boston, 1884.

"*History of Prussia under Frederick the Great.*" 2 Vols. Pp. 408 and 334. Boston, 1888.

**University of Illinois.**—Dr. David Kinley,† who held last year the Assistant Professorship of Political and Social Science at the University of Illinois, has been promoted to a full professorship, and is now in charge of the department.

**Johns Hopkins University.**—Dr. Jacob H. Hollander has been

\* See below p 134.

† See ANNALS, vol. iv, p. 307, September, 1893.

appointed Assistant in Economics at the Johns Hopkins University. Dr. Hollander was born in Baltimore on July 23, 1871. He attended the public and private schools in Baltimore, and entered Johns Hopkins University in June, 1888. Three years later he received the degree of B. A. He continued his university studies there, holding a University Scholarship for the two years, following and for the next year (1893-94) a Fellowship in Economics. In June, 1894, he received the degree of Ph. D.\* He was then appointed to his present position. During October and November, 1894, he is to take Professor Clark's classes at Amherst.

Dr. Hollander is a member of the American Economic Association and of the American Academy of Political and Social Science.

He has written the following works of an economic character:

"*Municipal Gas Works in the United States.*" The Independent, January 21, 1892.

"*Mill's Fourth Fundamental Proposition Concerning Capital.*" Johns Hopkins University Circular, May, 1893.

Chapters on "*The Industries and Institutions of Maryland,*" in "*Maryland and Its Resources, Industries and Institutions.*" Baltimore, 1893.

"*The Cincinnati Southern Railway: A Study in Municipal Activity.*" Johns Hopkins University Studies. Pp. 96. Baltimore, 1894.

Dr. Westel W. Willoughby, has been appointed Reader in Political Science at Johns Hopkins University. Dr. Willoughby was born at Alexandria, Va., on July 20, 1867. After three years at the Washington (D. C.) High School, he entered, in 1885, Johns Hopkins University, where, for the three succeeding years, he held an honorary scholarship. In 1888 he received the B. A. degree, and in 1891 the degree of Ph. D.\* from that university. The year 1890-91 he held a Fellowship in Politics. The year 1888-89 he was Principal of the Weightman Public School, at Washington, D. C. Since 1891 Dr. Willoughby has been practicing law at Washington. In addition to his appointment at Johns Hopkins, he has been elected Lecturer in Political Philosophy at Stanford University.

Dr. Willoughby is a member of the American Historical Association. He has written:

"*The Supreme Court of the United States: Its Administrative Importance in Our Constitutional System.*" Pp. 120. 1890.

"*The Government and Administration of the United States.*" (Co-author with W. F. Willoughby.) Pp. 152. 1891.

\* See below p. 134.

† See ANNALS, vol. ii, p. 254, September, 1891.



"*The New School of Criminology.*" American Journal of Politics, May, 1893.

"*A National Department of Health.*" ANNALS Vol. IV., September, 1893.

At present he is engaged, along with W. F. Willoughby, in preparing several reports for the Bureau of Education.

**Lake Forest University.**—Dr. Adelbert Grant Fradenburgh has been appointed Instructor in Political Economy at Lake Forest University, Lake Forest, Ill. Dr. Fradenburgh was born September 15, 1867, at Point Peninsula, Jefferson County, Ill. After studying at the Titusville (Pa.) and Oil City (Pa.) high schools, he entered Allegheny College in 1886. In 1890 he graduated with the degree of B. A., and three years later received from the same college the degree of M. A. During 1891-92 he pursued university studies at Johns Hopkins, and during 1892-94 at the University of Wisconsin, receiving from the latter institution the degree of Ph. D. in June, 1894.\* The year 1890-91 Dr. Fradenburgh was Professor of History and English at the Williamsport (Pa.) Dickinson Seminary. Dr. Fradenburgh is a member of the American Academy of Political and Social Science. He has been a frequent contributor to the *Outlook*, *Methodist Review*, *Christian Advocate*, the *Pittsburgh Chronicle-Telegraph* and *Bulletin*, *Chicago Tribune*, *Buffalo Express* and *Cincinnati Commercial*.

**University of Nebraska.**—Mr. William George Taylor, formerly Instructor in Political and Economic Science at the University of Nebraska, Lincoln, has been made Adjunct Professor in those subjects, and has been placed in charge of the Department of Political and Economic Sciences. Professor Taylor was born in New York City on May 13, 1859. He attended public and private schools in New York, and when he was eighteen entered Harvard University. In 1880 he graduated from Harvard with the degree of A. B. (magna cum laude). He studied law for one year at Columbia and two at Harvard, receiving, in 1883, from the latter institution the degree of LL. B. The following year he was admitted to the New York bar. In 1886 he went abroad and spent four years in study and travel. During 1887-88 he attended lectures at the École des sciences politiques and the Collège de France, in Paris, chiefly those of Leroy-Beaulieu. The two years following he studied at Leipzig, attending chiefly the lectures of Roscher, Brentano and Warschauer. During 1892-93 Professor Taylor studied at the University of Chicago under Professor Laughlin. Professor Taylor is a member of the American Historical Society and of the American Academy of Political and Social Science. Besides numerous contributions to newspapers, he has written:

\* See below p. 135.

"*Bismarck as a Typical German.*" Proceedings of the American Historical Association. Vol. IV.

**Olivet College.**—Mr. Charles McKenny has been advanced from Instructor in History at Olivet College, Michigan, to that of Professor of History. Professor McKenny was born on September 5, 1860, at Dimondale, Eaton County, Mich. In his youth he attended the public schools of Eaton County. He entered Michigan Agricultural College and graduated in 1881 with the degree of B. S. From 1882 to 1887 he was principal of public schools at Charlotte and at Vermontville, Mich. He then entered Olivet College and received in 1889 the degree of A. B., and in 1892 the A. M. degree. Since 1889 he has been Instructor in English and History at Olivet College. Professor McKenny is a member of the Michigan Political Science Association.

**University of Pennsylvania.**—Dr. Emory R. Johnson\* has been appointed Instructor in Transportation and Commerce at the University of Pennsylvania. He has recently published:

"*The Relation of Taxation to Monopolies.*" ANNALS, Vol. IV, May, 1894.

Dr. Leo S. Rowe has been appointed Lecturer upon Municipal Government in the Wharton School of Finance and Economy, University of Pennsylvania. Dr. Rowe was born at McGregor, Iowa, on September 17, 1871. He attended the Philadelphia public schools, graduating from the High School with the degree of A. B. in 1886. He then entered the University of Pennsylvania and received from that institution the degree of Ph. B. in 1890. From 1890 to 1892 he held a Wharton School Fellowship in Political Science.† He went abroad in 1890 and pursued university studies at Halle (1890), Paris (1890-91), Berlin (1891-92), Vienna (1892), and Rome (1893). In 1892 he received the degree of Ph. D. from the University of Halle. Dr. Rowe's work abroad was devoted chiefly to the subject of municipal government, and during the year 1893-94 he delivered a series of lectures upon that topic in the University of Pennsylvania. He is a member of the Staatswissenschaftliche Verein of Berlin and a *correspondant* of the Société d'Économie sociale and of the Société d'Anthropologie of Paris. He is also a member of the American Economic Association and a Councilor of the American Academy of Political and Social Science.

Dr. Rowe has written:

"*Instruction in Public Law and Economics in German Universities.*" ANNALS, Vol. I, July, 1890.

\* See ANNALS, vol. iv, p. 462, November, 1893.

† See ANNALS, vol. i, p. 297, October, 1890.

"*Une école des sciences politiques aux Etats-Unis.*" *La Reforme Sociale*, 1891.

"*Instruction in French Universities.*" *ANNALS*, Vol. II, January, 1892.

"*Die Gemeinde finanzen von Berlin und Paris.*" *Jena*, 1893. Pp. 236.

"*Miet und Gebäude preise in Frankreich.*" *Conrad's Jahrbuch*, 1893.

"*Annual Congress of the Society of Social Economy at Paris.*" *ANNALS*, Vol. IV, September, 1893.

"*Betterment Clause of the London Improvement Bill.*" *ANNALS*, Vol. IV, November, 1893.

"*City Government as it Should Be and May Become.*" *Proceedings Conference for Good City Government*, Philadelphia, 1894.

"*Reform in Municipal Government*," Boston, 1894.

Articles, "*Municipality in Prussia*" and "*Municipality in Pennsylvania*," in Palgrave's "*Dictionary of Political Economy*."

Dr. Henry Rogers Seager has been elected Instructor in Political Economy in the Wharton School of Finance and Economy, University of Pennsylvania. Dr. Seager was born in Lansing, Mich., July 21, 1870. He received his preliminary training in the Michigan Military Academy, and attended the University of Michigan from 1886 to 1890, taking the degree of Ph. B. in the latter year. He pursued advanced studies at Johns Hopkins (1890-91), Halle (1891-92), Berlin (1892) Vienna (1892-93), and Paris (1893), returning to the University of Pennsylvania for his final year, where he took the degree of Ph. D. in June, 1894.\*

Dr. Seager is a member of the American Economic Association and of the Council of the American Academy of Political and Social Science, and has written:

"*German Universities and German Student Life.*" *Inlander*, 1892.

"*Economics at Berlin and Vienna.*" *Journal of Political Economy*, May, 1893.

"*Review of Philippovich's Grundriss der politischen-Oekonomie.*" *ANNALS*, Vol. IV., July, 1893.

"*The Pennsylvania Tax Conference.*" *ANNALS*, Vol. IV., March, 1894.

Trinity College.—Dr. John Spencer Bassett,† who last year was Professor of History, has been made Professor of History and Political Science at Trinity College, North Carolina. He received, in June, the

\*See below p. 135

†See *ANNALS*, vol. iv, p. 462, November, 1894.



degree of Ph. D. from Johns Hopkins University.\* He has written since the last list was published :

"*The Constitutional Beginnings of North Carolina.*" Johns Hopkins Studies, Twelfth Series, No. 3.

"*Relation of Rome to the Early Kentish Church.*" To-day, April, 1894.

"*The Naming of the Carolinas.*" Sewanee Review, May, 1894.

Mr. Jerome Dowd † has been made Professor of Economics and Mercantile Science. He has recently written :

"*Sanitary Suggestions for the South,*" Charlotte Observer, 1894.

**Wheaton College.**—Professor Elliott Whipple, † who was last year appointed to the chair of Social Science and Pedagogy at Wheaton College, Wheaton, Ill., has been made Professor of Political and Social Science at that institution.

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IN ACCORDANCE with our custom we give below a list of the students in political and social science and allied subjects on whom the degree of Doctor of Philosophy was conferred at the close of or during the last academic year. ‡

**University of Chicago.**—John Cummings, A. B., A. M. Thesis: *The Poor Law System of the United States.*

**Columbia College.**—Frederic René Coudert, Jr., A. B., A. M., LL. B. Thesis: *Marriage and Divorce in Europe.*

James A. McLean, A. B., A. M. Thesis: *Essays in the Financial History of Canada.*

Frederick A. Wood, A. B. Thesis: *Financial History of Vermont.*

**Cornell University.**—Thomas Nixon Carver, A. B. Thesis: *The Theory of Wages Adjusted to Recent Theories of Value.*

Thomas Wardlaw Taylor, Jr., A. B. Thesis: *The Individual and the State.*

Harriet Emily Tuell, A. B. Thesis: *The Work of the Monk in Early England.*

Ulysses Grant Weatherly, A. B. Thesis: *German Particularism in the Years 1813-15.*

**Johns Hopkins University.**—John Spencer Bassett, A. B. Thesis: *The Constitutional Beginnings of North Carolina (1663-1729).*

Jacob H. Hollander, A. B. Thesis: *The Cincinnati Southern Railway: A Study in Municipal Activity.*

\* See below,

† See ANNALS, vol. iv, p. 463, November, 1893.

‡ See ANNALS, vol. i, p. 293, for academic year 1889-90; vol. ii, p. 253, for 1890-91; vol. iii, p. 241, for 1891-92; vol. iv, p. 312 and p. 466, for 1892-93.

Masanobu Ishizaka, Ph. B. Thesis: *Christianity in Japan, 1859-83*.  
 Jesse Siddall Reeves, S. B. Thesis: *International Beginnings of the Congo Free State*.

University of Michigan.—Kennedy Brooks, A. B., A. M. Thesis: *A Sketch of the Financial History of Illinois*.

Charles Horton Cooley, A. B. Thesis: *A Theory of Transportation*.

John Patterson Davis, A. B., A. M. Thesis: *Corporations in the Seventeenth and Eighteenth Centuries*.

James Allen Smith, A. B., LL. B. Thesis: *The Multiple Money Standard*.

Ohio State University.—Lucy Adelaide Booth, A. B., A. M. Thesis: *The Poor Law of Ohio*.

University of Pennsylvania.—Herbert Friedenwald, A. B.

Harry Rogers Seager, Ph. B. Thesis: *The Public Finances of Pennsylvania; State and Local*.

University of Wisconsin.—Adelbert Grant Fradenburgh, A. B. Thesis: *The Petroleum Interest in the United States*.

Yale University.—Jean du Buy, J. U. D. Thesis: *Two Theories on the German Constitution*.

Sara Bulkley Rogers, A. M. Thesis: *The Rise of Civil Government and Federation in Early New England*.

Guy Van Gorder Thompson, B. A. Thesis: *The Draconian Constitution*.

FOR THE academic year 1894-95, appointments to fellowships and post-graduate scholarships have been made in our leading institutions as follows:

Bryn Mawr College.—*Fellowship in History*, Nellie Neilson, A. B.

University of Chicago.—*Armour-Crane Fellowship in Political Economy*, Robert P. Hoxie, Ph. B.; *Chicago Women Fellowship in Political Economy*, Sarah M. Hardy, Ph. B.; *Graduate Fellowship in History*, James W. Fertig, A. B., A. M.; *in Political Economy*, John W. Million, A. B., A. M.; *Graduate Scholarship in Political Economy*, Henry P. Willis, A. B.; *in Political Science*, Midori Komatz, LL. B., and Edmund S. Noyes, A. B.; *Honorary Fellowship in Political Science*, Helen H. Tunnicliff, A. B.; *Junior Fellowship in History*, George H. Alden, S. B., A. B., Regina K. Crandall, A. B., Walter S. Davis, A. B., A. M., and Cora L. Schofield, A. B.; *in Political Economy*, George C. Calvert, Ph. B., A. M., William F. Harding, A. B., and George Tunell, S. B.; *in Political Science*, Joel R. Mosley, S. B., S. M., and William C. Wilcox, A. B., A. M.; *Senior Fellowship in History*, James W. Thompson, A. B.; *in Political Economy*, Henry

W. Stuart, A. B.; in *Social Science*, William I. Thomas, A. B., A. M., Ph. D.

**Columbia College.**—*Seligman Fellowship in Economics*, George C. Sikes, A. M.; *Special University Fellowship in Political Science*, H. A. Vick, A. B.; *University Fellowship in Administration and Finance*, Charles W. Tooke, A. M.; in *Economics*, James W. Crook, A. M., and M. B. Hammond; in *History*, Lester G. Bugbee, A. M., Harry A. Cushing, A. M., and William R. Shepard, A. M.; in *Jurisprudence and Economics*, Isidor Loeb, A. M., LL. B.; in *Sociology and Political Economy*, John F. Crowell, A. M., and Arthur C. Hall, A. M.

**Cornell University.**—*Fellowship in American History*, Mortimer Alexander Federspiel, Ph. B.; in *Political Economy and Finance*, John Haynes, A. B., and Jesse Francis Orton, A. B.; *President White Fellowship of Political and Social Science*, Frank Spencer Edmonds, A. B.; *President White Traveling Fellowship of Modern History*, Arthur Charles Howland, A. B.

**Harvard University.**—*Ozias Goodwin Memorial Fellowship in Constitutional and International Law*, Amos Shartle Hershey, B. E., A. B.; *Henry Lee Memorial Fellowship in Political Economy*, Guy Stevens Callender, A. B., A. M.; *Robert Treat Paine Fellowship in Political Science*, Carlos Carleton Closson, A. B., A. M.; *Thayer Scholarship in History*, Samuel Bannister Harding, A. B., A. M.; in *Political Economy*, Howard Hamblett Cook, A. B., A. M.; *Gorham Thomas Scholarship in History*, James Sullivan, Jr., A. B.

**Iowa State University.**—*Fellow in Political Science*, Frank Henry Noble, A. M.

**Johns Hopkins University.**—*Fellowship in Economics*, Arthur Fisher Bentley, A. B.; in *History*, Thomas Francis Moran, A. B.; *Hopkins Honorary Scholars from Virginia and North Carolina*, J. C. Ballagh, S. R. Hendren, A. B., and E. W. Sikes, A. M.; *Hopkins Scholars from Virginia and North Carolina*, B. W. Arnold, Jr., A. B., J. A. C. Chandler, A. B., and L. N. Whealton, A. B.

**University of Texas.**—*Fellowship in History*, J. E. Pearce, A. B.

**Washington and Lee University.**—*Howard Houston Fellowship*, William Reynolds Vance, A. B., A. M.

**University of Wisconsin.**—*University Fellowships in History*, Orin Grant Libby, M. L., and Theodore Clarke Smith, A. M.; *University Scholarship in Economics*, Nellie Page Bates, A. B.; in *Social Science*, George Smith Wilson, B. L., and Henry Sherwood Yonker, B. S.



## BOOK DEPARTMENT.

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### REVIEWS.

*A Short Account of the Land Revenue and its Administration in British India.* By B. H. BADEN-POWELL, one of the judges of the Chief Court of the Punjab. Pp. 254. Price \$1.50. Oxford: The Clarendon Press; New York: Macmillan & Co., 1894.

This is "an attempt to describe the Land Revenue Administration of British India, and the forms of land-holding on which that administration is based, in the compass of one small volume." The same author has published "Land Systems of British India; being a Manual of the Land Tenures and of the Systems of Land Revenue Administration, prevalent in the several provinces." \*

Necessarily the author had to exclude details. But he did not fill it with generalizations. He has selected the most general conditions and the most important effects and presented them analytically.

American readers will look to this source for brief and comprehensive information on British management of Indian lands. The British government aims to be fair and equitable; to have a system rigid enough to command respect and elastic enough to relieve the exceptional cases of hardship.

For the economist there is little new matter. Economic rent, incidence of taxation, co-operative and other methods of making improvements are not discussed. Everywhere and always, except in years of famine, there is a surplus product from the soil over and above the needs of the cultivators, of which the State gets no inconsiderable part; and frequently there is some individual or juristic person who, as landlord, gets as much more. "The revenue is technically said to consist of a fraction (usually one-half) of the . . . total rents actually received" by the landlord; and of half the "net product" of the lands of cultivating proprietors.

It is the student of social institutions who will find the book richest in suggestions. The English have surveyed large tracts of the land. They have made thorough and scientific estimates of the "rent" and "net product" of it, parcel by parcel. And they have finally determined what persons hold estates in the land, not only that they may know from whom to collect their revenue, but also that they may

\* 3 Vols., Clarendon Press, 1894.

protect each and every estate from this time forth. All this is matter of permanent record, and changes are carefully recorded as they occur.

In the process of finding out all the estates resting on the land, of whatever kind and degree, and of determining who were the equitable owners, the history of many of them was thoroughly worked out. It appears that changes have been more violent than they can ever be again. The fortunes of war and peace have reduced independent chieftains to the grade of under-lords, or cultivating tenants, or possibly lower; and the same fortunes have raised undistinguished families to commanding positions. The money lender, the revenue farmer and the colonizer were of those who, having somewhat, could use it to acquire more. But so long as British administrators are discreet in executing the principles laid down, changeless and monotonous peace will reign. The landlord has now been guaranteed his determined and recorded rights; and the tenant has been guaranteed his.

Under the native rulers the changing conditions exemplified the principle of equality and the principle of inequality both at once. The descendants of conquerors, chieftains and colonizers were equal among themselves and had dependents in various degrees of subordination under them. The antithetical principles of change and conservation were coexistent. The energetic and powerful were increasing their power, and the rules forbidding the members of a ruling caste to become cultivators, which could not defend them from the successful aggressions of a stronger tribe, only served to make their condition in the reduced estate most hard. However, the force of custom in the hands of the natives is undoubtedly far weaker than the force of law in the hands of the English to conserve whatever was found that is fair and equitable.

No one estate in land seems to have claims to be called primary and original to the exclusion of all others; least of all has the estate of a group of communistic cultivators a right to this claim. From the days when the laws of Manu were in the process of codification society was recognizing as just and equitable the claims of various non-cultivators to a share in the product. This does not imply either that justice is absolute or that rent is just. No one ought to infer its justice from its antiquity. Simply this: it is now matter of record that the East Indians, Aryan and non-Aryan, accepted it without protest.

The book is, after all, a hard one to read. The style is not always unexceptionable. There is much that is of interest only to the candidate for the Indian Civil Service, who may use it as a textbook. The

heavy faced titles prefixed to each paragraph will guide the reader however. They are of more assistance than the index in looking up references to any particular subject. Americans will find the book valuable in spite of the dross.

FREDERICK W. MOORE.

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*Les Ministres dans les principaux pays d'Europe et d'Amérique.*

Par L. DUPRIEZ. 2 vols. Pp. xix, 548 and viii, 544. Price, 20 francs. Paris : Rothschild, 1892, 1893.

Students of government will welcome this as the first exhaustive and satisfactory study of cabinets, embracing the latest and most scholarly investigations. Since it came out, one or two other works have appeared on the same subject, possessing some points of advantage in the way of handy reference, but not to be compared with this in learning and in the deeper treatment of the topic.

In the first volume the author takes up the rôle of ministers in constitutional monarchies, England, Belgium, Italy, Prussia, and the German Empire. Under each country the order of treatment is, first, the ministers and the constitution,—the sources of the constitution, the constitutional powers, the origin, composition, formation and general position of the cabinet ; second, the ministers and the king ; third, the ministers and parliament,—the organization and powers of the chambers, political parties, the part played by ministers in the preparation of laws and in financial legislation, and the control of ministers by parliament ; fourth, the ministers and administration,—local institutions, parliamentary control, and the functions of the individual ministers. The second volume treats of republics, the United States of America, Switzerland, and France. The scheme followed is essentially the same as in the first volume, with such modifications as the absence of royalty necessitates.

These two beautiful and learned volumes invite one at many places to approval and commendation ; but for special reasons the reviewer wishes to devote his limited space to a consideration of a portion of the second volume, the part allotted to France. In the ANNALS, as well as in other publications, there has of late been considerable discussion of cabinet government, with particular reference to its application to the United States. As it happens, nearly all writers, whichever side they take on the question, appeal almost solely to English experience alone. On many grounds this is largely justifiable ; England is the birthplace and home of cabinet government, and there it has had its normal development ; our own institutions are to a large extent virtually English ; our government, however much the outward



form lacks resemblance, is at bottom English ; our laws, our political philosophy, our language, our religion, our habits of thought, are all English. On these and other accounts it is well to dwell upon the history and theory of the English cabinet, when considering the subject in relation to its possible application, pure or modified, to the United States. But while all this is true, one would also do well to make a detailed study of the transplanted institution, and no country affords so good a field for this as does France. Here, however, one must bear in mind how much France differs from England in race and in political and legal institutions ; but making the allowance thus needed, the Third French Republic offers an instructive field of investigation. French experience is, to be sure, occasionally referred to by writers, though usually no more than to the extent of calling attention to the fact that in France there have been thirty-odd changes in ministry in less than twenty-five years, together with such deductions as vigorous English may draw from the mere knowledge of this one fact.

From M. Dupriez one may learn—to select a few out of many things—that changes of ministry in France are often changes in name rather than in fact ; it frequently happens that more than one-half of the members of the new cabinet were also members of the old, and sometimes it is hardly more of a “crisis” than was involved in the recent transfer of leadership in England from Gladstone to Rosebery. Again, since December, 1877, there has not been a single change of government in the English sense ; during the last seventeen years in France the Republican party alone, or, more accurately, one or another group or combination of groups of Republicans, has held uninterrupted control ; in the French chambers there is not an organized opposition, ready to take up the reins of government when they are laid down by a defeated cabinet ; the new ministry represents, as a rule, the same groups as the old,—it is a shuffling of names and, nowadays at least, never a change of parties ; closely connected with this, too, is the fact that, on many questions, responsibility is individual and not collective. Again, the French Senate, though far less powerful than the American, is by no means so impotent as the English House of Lords, and accordingly modifies somewhat the ordinary workings of cabinet government. Finally, the French form of parliamentary government has another peculiarity, in that it has been used as a weapon to force the resignation of the President of the Republic ; Thiers, MacMahon and Grévy were all driven from power by means of the control possessed by the chambers over the cabinet, and already there are covert threats that, in certain contingencies, Casimir Périer may similarly be deprived of his office. The dissolution of Parliament, one of the apparently necessary features of cabinet government, has

been resorted to in France but once, and its abuse at that time has rendered subsequent prime ministers and presidents loath to repeat the process; and yet its employment on certain occasions would seem to have been the one thing needed to bring order out of political chaos.

Special attention is called to France, because few of our writers seem to be intimately acquainted with the workings of cabinet government in the most prominent land of its adoption. But the position and powers of ministers in other countries, both where cabinet government does as well as where it does not prevail, are also treated by M. Dupriez in a most luminous and instructive manner, and no one can err in making a careful study of his very valuable treatise.

CHARLES F. A. CURRIER.

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*The Discovery of America, with some account of Ancient America and the Spanish Conquest.* By JOHN FISKE. 2 vols. Pp. 516 and 631. Price, \$4.00. Boston: Houghton, Mifflin & Co., 1893.

Surely Mr. John Fiske has the pen of a ready writer, yet even he finds the writing of a narrative history of the United States a work requiring many years. Meantime he does not propose to allow his accumulating manuscript to grow musty. From time to time he has given us a finished chapter as an earnest of the coming series. The initial volumes make their timely appearance in the year filled with Columbian reminiscence.

The book has two themes, different in character, and yet each indispensable to a clear understanding of the other. The first and subsidiary theme is the study of ancient America. Here Mr. Fiske supplements the skill and accuracy of the historian with the training and enthusiasm of the anthropologist. The perplexity which the early European explorers felt when first brought into contact with the American aborigines—a perplexity shared by our earlier historians—disappears only when comparative anthropology makes possible the placing of the primitive American peoples in their proper stage in the evolution of human society. In Europe the development had been comparatively steady and continuous; there had been no startling "breaks." But when Columbus set foot upon America he stood face to face with man of the stone age, with man in a grade of culture which in Europe had passed away before the founding of Rome.

The value of Mr. Fiske's graphic yet painstaking delineation of ancient America is clearly seen in the later chapters, which treat of the Spanish conquests of Mexico and Peru. The Spaniards, perplexed by the strange contrasts between themselves and the peoples with whom they were struggling, could not help reading into primitive institutions the spirit and character of the institutions with which

the Europe of the sixteenth century was familiar. The work of the earlier historians, who accepted as authentic these Spanish observations, now comes up for an interesting overhauling and reconstruction at the hands of the anthropologist-historian. Montezuma, who used to figure as a mighty potentate, the head of a great feudalized "empire," is now seen to be a priest-commander of the type of the primitive Greek *basileus*. His vast "empire" becomes a loose confederacy, under the rule of the typical Tribal Council, with which Sir Henry Maine has made us familiar. The roseate hues in which the earlier historians painted the civilizations of Mexico and Peru fade somewhat in the light of recent research. "In America," says Dr. Draper, "Spain destroyed races more civilized than herself," and he did not hesitate to assert: "At the time of the conquest the moral man in Peru was superior to the European, and I will add the intellectual man also." Mr. Fiske, on the other hand, insists that "if we are to use language at all correctly when we speak of the 'civilizations' of Mexico and Peru, we really mean civilizations of an extremely archaic type, considerably more archaic than that of Egypt in the time of the Pharaohs." "A 'civilization' like that of the Aztecs, without domestic animals or iron tools, with trade still in the primitive stage of barter, with human sacrifices and with cannibalism, has certainly some of the most vivid features of barbarism." The cavalier thesis has recently been put forward that the discovery of the new coasts by Columbus was an unspeakable misfortune because it led to the introduction of the horrors of the inquisition into the Spanish conquests. Mr. Fiske maintains, on the contrary, that the coming of the Spaniards was a great good, even for Mexico, where they introduced a far better state of society than they found.

But the study of ancient America and of the Spanish conquests is not allowed to obscure the principal theme, the Discovery of America. All possible emphasis is laid upon one fact: the discovery of America was not one single event, it was rather a long and painful process extending through two and one-half centuries. Mr. Fiske seeks not merely to tell the familiar story of one or two eventful voyages, but rather to portray the gradual unfolding of a new world before the consciousness of Europe. Of the pre-Columbian expeditions that of the Northmen is the most interesting. Mr. Fiske reaches the conclusion that the Saga of Eric the Red should be accepted as history, since it tells a straightforward story bearing the earmarks of a truthful record of events which show a knowledge of things which could have become known to mediæval Europe only as a result of actual visits to the North American coast south of Labrador. But that Leif's colony flourished for several centuries and carried on a thriving trade with



Europe, that its memory was clearly perpetuated in Ireland, and that there Columbus obtained the information which led him to undertake his voyage—all this theory of modern enthusiasts who put forward the claim of the Northmen as the true "discoverers" of America Mr. Fiske considers utterly groundless. Not an authentic relic of the Northmen has ever been discovered south of Labrador. "Except for Greenland, which was supposed to be a part of the European world, America remained as much undiscovered after the eleventh century as before it. In the mid-summer of 1492 it needed to be discovered as much as if Leif Ericsson or the whole race of Northmen had never existed."

The great work of Columbus and of the voyagers who followed him remains the central feature of the book, and is brought into clearer relief by reason of the carefully prepared background. The training of Columbus for his career, the many discouragements, the difficulties and dangers of the voyages are all skillfully placed before the reader. It is here that this history comes most sharply into comparison with the other great book of the Columbian anniversary, Mr. Winsor's "Christopher Columbus." Both historians have used substantially the same sources, both have told the story of how the great navigator "received and imparted the spirit of discovery;" on most points they are in practical agreement. But the impressions of the character of Columbus which these two scholars have gained from a study of the same facts, differ most widely. Mr. Winsor has been painstaking in his enumeration of facts, everything that can throw light upon the character of Columbus is recorded and its value weighed. We are shown a defect here, a virtue there, and are led up to the conclusion that on the whole the defects far outweigh the virtues. And yet we feel that nowhere have we seen the man Columbus himself. To research hardly less painstaking, Mr. Fiske has added *insight*. The defects in the great discoverer's character are by no means glossed over, neither are they forced into prominence by being isolated. Mr. Fiske brings to his characterization the skill of a psychologist. He understands men, and men of different characters. He makes us see in Columbus, in Magellan and in Las Casas men of individuality, not mere bundles of virtues and defects. He realizes that it was a "complex tangle of notions that actuated the mediæval Spaniard." Back into the very midst of that tangle he puts the reader and lets him watch Columbus in the thick of the fight.

Under the title "Mundus Novus," Mr. Fiske presents in graphic outline the series of voyages of Cabot, Vespucci, Magellan and the other great explorers, which proved that a new world had indeed been discovered. The 150 pages devoted to Vespucci comprise some of the

author's most critical work. Indeed, the particularity with which the subject is treated may seem better suited to a monograph than to a chapter in so general a discussion. Mr. Fiske justifies his course, however, by urging that through this long analytical discussion of the way in which the name America came to be applied to the whole western continent, better than by any mere narrative, are we made to realize how gradual a growth the discovery of America proved.

The beautiful character of Las Casas arouses the historian to unwonted enthusiasm. He passionately defends his hero from the charge of having founded negro slavery in the new world, even asserting that in Las Casas we may see "the mightiest and most effective antagonist of human slavery in all its forms that has ever lived." Few chapters in history are more thrilling than that which describes how the terrible "Land of War" was civilized and Christianized through the consecrated efforts of this white-souled monk. "The memory of such a life," says Mr. Fiske, "must be cherished by mankind as one of its most precious and sacred possessions."

It goes without saying that a book of this nature from the pen of Mr. Fiske bears evidence of abundant research. Materials have been used at first hand. If the reader is disposed to test the author's accuracy of statement or validity of inference, ample opportunity is afforded by the full citations of authorities in the foot-notes. But many of the foot-notes have not been reserved for this dignified use; they show a flippancy, a resort to ridicule and sarcasm which seem strangely out of place in so scholarly a work. Of course this book is written in Mr. Fiske's captivating style; some passages are nobly eloquent. The book is carefully indexed, and the student is grateful for an excellent topical analysis. One of its greatest services consists in its freeing the reader "from the bondage to the modern map." At each stage in the narrative is shown the contemporary map or globe. Maps like those of Ptolemy and Toscanelli not merely recorded the discoveries, they inspired them. The evolution of the modern map, as traced in these reproductions of ancient charts, illustrates most graphically the slowness with which there dawned upon Europe the knowledge of the American continent. GEORGE H. HAYNES.

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*Industrial Arbitration and Conciliation.* Some chapters from the industrial history of the past thirty years. Compiled by JOSEPHINE SHAW LOWELL. Pp. 110. Price, 40 cents. Questions of the Day Series. New York and London: G. P. Putnam's Sons, 1893.

Any work bearing Mrs. Lowell's name is sure to be filled with the spirit of reform. Her standpoint in respect to the labor question is

shown in the opening paragraphs of the present book, where she says:

"It is in the nature of things that men should unite to attain their common ends, and the kind of union they form, the ends which they seek, and the means adopted to attain those ends, are matters of vital importance both to themselves and to the public. There can be little doubt that these points are all far more dependent than is generally recognized, not upon the men who form the unions, but upon the reaction upon them of the laws under which they live, and of the attitude of their employers and of the public toward them."

Then follows an extended extract from "The Conflicts of Labor and Capital," by George Howell, giving a sketch of the gradual emancipation of the English labor unions from the oppressive laws which prevailed at the beginning of the present century. The lesson drawn is that repressive laws are ineffectual, dangerous and demoralizing. Membership in a union should be purely voluntary. "Neither the employer nor the workman has the right to fetter the free action of any other person in this matter."

This serves as an introduction to the main subject of the book—industrial conciliation. The foundation for confidence in boards of conciliation as a means for promoting industrial peace lies in the fact that strikes are usually the outcome of misunderstandings. As a rule, the employer and workman associate so little that they have but slight regard for each other's interests, and but slight knowledge of the difficulties with which the other party must contend; but when both parties are thoroughly organized a standing board of conciliation composed of trusted representatives of both masters and workmen offers the desired means for reaching a mutual understanding, and for inspiring mutual confidence. The remarkable success of the efforts described in Mrs. Lowell's book makes them worthy of the attention of all who are interested in the labor problem, and the scope of the book, as well as its brevity, commends it to the busy public.

Some well chosen extracts from Henry Crompton's "Industrial Conciliation" give an epitome of the development of boards of conciliation in England from 1860 to 1876, and the history is brought down to 1890 by extracts from a review article by Robert Spence Watson. "Conciliation in Belgium" is presented chiefly by translation from the writings of Mr. Julien Weiler, through whose efforts the system was adopted in the colliery of Bascoup in 1876.

In the United States the principle of industrial conciliation has been adopted with excellent results in the mason builders' trade of New York, Chicago and Boston, through what are known as joint committees of arbitration. The joint committee consists of five representatives



from the labor union and five from the mason builders' association. These ten members choose some disinterested and respected party as an umpire to be called upon in case the regular committee fails to reach an agreement. Both parties agree to abide by the findings of this committee on all matters of mutual concern referred to it by either party.

This simple plan for the mutual consideration of questions of common interest has proved entirely successful in avoiding strikes and lockouts. It has even been very rarely, if ever, necessary to call for the help of the umpire in settling disputes. The actual working of these committees is well presented with interesting extracts from their records and rules.

On learning of the success of this plan, which was inaugurated in New York nearly ten years ago, one naturally wonders why it has not been adopted by every trade that suffers from industrial warfare. The explanation undoubtedly lies in the fact that employers are loth to give up the idea that they have a right to manage their business as they see fit, while the fundamental principle of industrial conciliation is joint consideration and joint action on all matters of mutual concern. That the employer must eventually yield his point is indicated by the ever increasing solidarity of economic interests. When economic theory has established the true principle for the determination of just wages, these joint committees of arbitration seem likely to become the means for inaugurating industrial peace.

DAVID I. GREEN.

*Les Bourses du Travail.* By G. DE MOLINARI. Pp. 335. Price, 3 fr. 50. Paris: Guillaumin & Cie, 1893.

No one questions the immense material advance of modern times, and few are disposed to doubt the possible beneficence of this great increase in man's power over the forces of nature. But a question has arisen concerning the distribution of this extraordinary addition to our wealth. This is the labor problem: Have the means of good living accruing to mankind been equitably distributed between the two great categories of producers who have contributed to their creation? Do laborers get a fair share of the product which results from the joint efforts of the necessary factors in production, labor and capital? How can the division be made or be made to seem more just?

Various solutions are offered to the problem. Christian philanthropists urge the rule of life given by Christ to a group of fishermen, and insist that doing unto others as we would that they should do unto us

will alone give us social and industrial peace. Henry George regards the wages system as a modified form of slavery, and maintains that the wedge which has entered society and is making the rich richer and the poor poorer can only be removed by a confiscation of all landed property and by keeping the same as the property of all of us—that is, of the State. Socialists go a step farther and hold all profit to be surplus value and hence only robbery of laborers. They would confiscate all the means of production and then use them under some system of public industry where all work for each and each for all.

The answer which the editor of the *Journal des Economistes*, M. de Molinari, gives to the question is at once affirmative and negative. He holds that wages to-day constitute more nearly than formerly a just proportion of the product of industry, but that they will continue to absorb a larger and larger portion; that this further increase will come as every past acquisition has come, from the remedies adopted by the laborers themselves and not through intervention on the part of the State; and that a higher social level is to be attained only by modifying and perfecting the institutions under which we are now living. He is an economic evolutionist and writes in the fear of the possible consequences of socialism.

In the work of such men as Owen, St. Simon and Fourier there was only the romantic chimera of attempting to replace the present order by a complete social reorganization. These social dreamers only influenced the more cultivated classes and led the finer minds to a Brook Farm—Albert Brisbane, George Ripley, George William Curtis, Emerson, Hawthorne, Charles A. Dana, and Margaret Fuller. But after 1848 socialists became politicians and proposed the expropriation of the capitalist class by a violent social revolution. M. de Molinari conceives that socialism has become epidemic, that repressive measures do not suffice, and that there is cause for alarm, particularly because governments are trying the homeopathic remedy of opposing revolutionary socialism with socialism of the State and this more than anywhere else in the most democratic of all countries, the United States. He thinks it not at all improbable that the first part of the socialist program will be realized in the near future. The political revolutions of the eighteenth and nineteenth centuries have made possible the social revolution of the twentieth. He therefore presents an economic philosophy, shows the impossibility alike of a personal relation between employer and employed and of the public direction of industry, and urges the conscious evolution of society through the perfection of the wages system.

His theory of wages is that the price of labor like that of everything else which is bought and sold is determined by cost; that there is a

necessary rate of remuneration of labor which represents the expenses of producing labor—the cost of living of laborers; that this is the just return for their service in industry; that this is a level toward which wages must gravitate, and that the chief obstacles to reaching and raising this are the secrecy which both laborers and their employers persist in maintaining in regard to the rate of wages actually paid, ignorance as to the real condition of the labor market, its limited extent, and the pressing necessity and retail methods of the laborer as seller on the same. He consequently believes that the remedy lies in widening the labor market, securing publicity, and using wholesale methods. Higher wages and greater security of income and regularity of employment would result. It would be but extending to labor the process of evolution which has already reached capital and the production of many staple articles such as cotton, wool, iron, the cereals, and so forth. The market is the world; the price is definite and not arbitrary; the supply is assured. He urges the establishment of boards of trade and stock exchanges in which labor shall be the article dealt in, and asks: "Why should not our daily papers give tables of the rates of wages as well as the price of stocks?" The larger half of his book is taken up with an historical account of the attempts to found these *bourses du travail* in France. It is a subject which has engaged the attention of our bureaus of labor, and the work in an English dress would commend itself to the commissioners and to leaders of labor movements.

The author contends that the extension and unification of the labor market will bring peace where now there is war, will make the price of labor impersonal as is that of capital already, will make possible wholesale methods, substitute publicity for secrecy, secure collective instead of individual guarantee against industrial change and accident, make higher wages possible by their being determined in a general and not in an isolated and local market, add to the wealth of the community, and increase the solidarity of mankind. A few more facts in the text itself and a little less anxiety about the freedom of international trade would make the book more interesting to American readers.

ARTHUR BURNHAM WOODFORD.

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*Leonidas Polk, Bishop and General.* By WILLIAM M. POLK, M. D., LL.D. 2 vols., x, 349 and viii, 442. Price \$4.00. New York: Longmans, Green & Co., 1893.

The family of Pollock, under which form the name Polk first appears, is of Scotch origin, and besides Bishop Polk, has given to the



United States Governor Charles Polk, of Delaware, Trusten Polk, Governor of Missouri, and United States Senator, and President James K. Polk. From Maryland the family removed to Pennsylvania, and from this province, Thomas Polk, the grandfather of the Bishop, removed to Mecklenburg County, N. C., in 1753.

It was through the influence of Thomas Polk that the Assembly of North Carolina chartered in 1771 Queen's Museum, located in Charlotte, and destined to serve as a sort of high school and college for the Scotch-Irish Presbyterian element by whom the section was principally settled. But the charter was annulled by the king. The Schism Act was enforced in North Carolina from 1730 to 1773. The charter was withheld from the Newbern Academy in 1766 because the headmaster was not required to be of the Church of England, the Edenton Academy had the same fortune in 1768 and Queen's Museum, to escape a similar fortune, provided that the president should be an Episcopalian. But the Board of Trade saw through the arrangement, the fellows and tutors would still be Presbyterians, a charter would end "encouragement to dissent," and was therefore not given. But Thomas Polk had the pleasure of seeing the institution flourish in spite of royal prohibitions, and it was instrumental in preparing the minds of the people of Mecklenburg for the stirring scenes enacted here in May, 1775. In their efforts for independence, no people were in advance of those of Mecklenburg, and perhaps their defeat in the matter of Queen's Museum acted as a spur to bolder deeds.

Thomas Polk was one of the leading actors in the Mecklenburg Declaration of Independence of the twentieth of May, so called, and also in that of the thirty-first of May. On the disputed matter of dates, Dr. Polk does not undertake to enter in detail. Such would have been impossible, for no phase of the history of North Carolina has been so widely discussed, or has such an extensive literature. He follows largely the strong address on the affirmative side by the Hon. William A. Graham, but does not seem to be well acquainted with the arguments on the negative side of the question.

Bishop Polk was intended by his father for the army. His own feelings led him into the church. Perhaps there are no more interesting sections in the book than those relating to his work as Missionary Bishop of the Southwest. This post he occupied from 1838 to 1841. His work embraced Arkansas, Indian Territory, Mississippi, Louisiana and Alabama. In many places he found that religion was hardly thought of; in others the church was unorganized, and much time was spent in organization. He was transferred to the Diocese of Louisiana in 1841. Here was the scene of his life work. There were then but two church buildings and five clergymen in the State. In 1860 he

had seen the clergy increase seven-fold, the members ten-fold and parishes and missions twenty-fold. When entering upon his Episcopate he became a planter and took the negroes coming to his wife by inheritance, rather than money, under the deliberate conviction that, as a planter, he could exercise a greater influence among a society of planters. But he never failed to recognize that his mission was as much to the slave as to his master, as his action in building St. John's Church for his own negroes while living in Tennessee will sufficiently indicate. Perhaps no more typical description of the patriarchal character of the ante-bellum Southern planter can be found than those chapters describing his home life and his tender relations to his family and slaves, and, in the absence of an extensive literature dealing with the private life of the old-time Southerner of the better class, the present volumes are particularly welcome.

Bishop Polk's greatest influence on posterity will be through the University of the South. In the organization of this institution his influence was paramount. The plans and outlines of the institution had been revolved in his mind for more than twenty years. It was to be, as its name indicates, an institution which should embrace all creeds and all States in the South, one whose curriculum and advantages should equal those of Yale and Harvard and its "University Press" was to serve as a source of encouragement and vehicle of expression for Southern literature. To show the broad basis, the large mould into which his ideas were cast compared with other institutions in the South, his purpose was that work should not be begun before it had an endowment of \$500,000, and this sum had been actually raised when the war swept it away. These plans, laid deep and well, met with hearty approval from churchmen and others. Governor Swain, President of the University of North Carolina, then perhaps the leading institution in the Southern States, and with which the new one would come into sharp competition, stated frankly that if any denomination could bring the various sects of Christians together on a common educational basis that church was the Protestant Episcopal.

The turning point in the life of Bishop Polk was in 1861. The year 1860 was spent in developing the plans of his University, and not in plotting against the Union as his enemies have said. But reared in the school of States' rights, it was natural for him to hold to Southern views. He had perfect faith in the validity of an ordinance of secession; in his opinion on the withdrawal of a State from the Union the church went with it, and he took action accordingly. He consented to serve in the Confederate army only in answer to what he believed to be the call of necessity. He did not resign his bishopric. His episcopal functions were only suspended and it was his constant desire

to lay aside the sword. But that time never came. He was commissioned Major-General twenty-fifth of June, 1861, was promoted Lieutenant-General in 1862, was in most of the battles in the West and was killed by a cannon shot on Pine Mountain, Georgia, on the fourteenth of June, 1864, while covering the retreat of Johnston before Sherman.

The second volume, with two chapters of the first, is devoted to secession and Bishop Polk's career as a general. It was, perhaps, undesirable that so much space was given to the military career of General Polk at the expense of the ecclesiastical career of Bishop Polk. His military work has gone; his episcopal and educational work remain.

Some errors have crept into the volumes. George Burrington's complaint of the North Carolinians (I, 8,) was made in 1731, not 1751; George E. Badger (I, 47,) was never a member of the Supreme Court of North Carolina. He was a judge of the Superior Court and was once nominated as a justice of the Supreme Court of the United States, but failed of confirmation. There was a newspaper in Hillsborough, N. C., in 1786 (I, 9), another in Salisbury in 1798, and one in Lincolnton about 1800. Prior to 1820 several others were probably published west of Raleigh. Cooper for Hooper (I, 44) has been corrected in the index, and as John Adams always spelt the name of Joseph Hewes correctly in other places he probably did so here. Raynor is for Rayner (I, 157, 175, 220). Governor Martin's letter (I, 10) is dated June 30, 1775, and not July 30, and Dr. Charles Caldwell's "Memoirs of General Greene" (I, 42), was published in 1819, not 1812.

The carefully prepared and exhaustive index of sixty-six pages is to be thoroughly commended. No better example to Southern book-makers can be offered than this, for to most of them this is a lost art. There is a portrait of Colonel William Polk, one of Leonidas Polk as Bishop and another as General, with numerous plans of battles. If the bibliography of American historical literature were closely examined it would appear that little, comparatively speaking, had been printed relating to Southern men; the South has been too indifferent, too serenely unconscious to care for the preservation of the record which it has made. Under such circumstances the life of Bishop Polk is of more than usual interest and value.

STEPHEN B. WEEKS.

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#### RECENT BOOKS ON MONETARY PROBLEMS.

1. *A Treatise on Money and Essays on Monetary Problems.* Professor J. SHIELD NICHOLSON. Second edition, revised and enlarged. Pp. xvi and 415. Price \$2.50. London: Adam and Charles Black, New York: Macmillan & Co. 1893.



2. *Die Stichworte der Silberleute.* Von LUDWIG BAMBERGER. Vierte verbesserte und vermehrte Auflage. Pp. 151. Berlin : Rosenbaum und Hart, 1893.
3. *Le métal-argent à la fin du xix<sup>e</sup> siècle,* Par LOUIS BAMBERGER. Traduit par RAPHAEL GEORGES LEVY. Pp. xiii, 352. Price 8 fr. Paris: Guillaumin et Cie, 1894.
4. *Mélanges financiers.* Par RAPHAEL GEORGES LEVY. Pp. 313. Paris: Hachette et Cie, 1894. Price 3 fr. 50.
5. *Die Währungsfrage und die Zukunft der Österreichisch-Ungarischen Valutereform.* Von F. WIESER. Pp. 28. Prag, 1894.
6. *Ist eine Abnahme der Goldproduktion zu befürchten?* Eine Vorfrage zur Währungsfrage. Von GEORG HEIM. Pp. 68. Price 2 mark. Berlin : L. Simion, 1893.

Monetary literature is so fruitful a branch of general economic literature, and especially in recent years has so much attention been concentrated on the study of money that for others than specialists a judicious spirit of selection is necessary in order to keep abreast of the current and to know those works that are really worth the knowing. All the books above cited are from able and representative men who are competent to speak with authority from the point of view they respectively present.

Professor Nicholson reproduces, in a new and altered edition, a volume that he originally published in 1888. It is a clear and well-written statement of the opinions that go to make up the scientific international bimetallic faith which has certainly been gaining many adherents of late. The form of the book is open to objection. The first part is an elementary treatise of 106 pages on money in general and seems to me too elementary for those readers who can intelligently read the second part, which makes up the bulk of the volume and is a series of essays, more or less abstruse, on various problems of monetary science, and much too difficult for the general reader of the industrial classes for whom the first part was originally written. The book may prove useful for class work to some teachers who do not care to use larger works, such as Walker's, but who might very profitably place Professor Nicholson's book in the hands of those following an elementary course on money, supplementing in lectures the clear statement of principles and using the essays later on as a basis for class discussions. These essays, Professor Nicholson tells us, are intended to be an application of the principles discussed in the first part to "some actual problems, especially those embraced in what is called the silver question." It is here, too, that most change has taken place in the new edition, and that chiefly by way of addition of

six new essays. A note of these may be of interest to those who possess the first edition and do not care to purchase the second. They are: (1) "Mr. Giffen's Attack on Bimetallists," reprinted from the *Nineteenth Century*, December, 1889. (2) "Mr. A. de Rothschild's Proposal to the Monetary Conference," from the *Scotsman*, December 3, 1892. (3) "The Missing Link Between Gold and Silver," also from the *Scotsman*, April 15, 1893. (4) "Living Capital of the United Kingdom," *Economic Journal*, March, 1891. (5) "Capital and Labour, Their Relative Strength," *Economic Journal*, September, 1892. (6) "The Indian Currency Experiment," *Contemporary Review*, September, 1893.

Space will not permit us here to discuss critically the opinions of Professor Nicholson especially, as these have undergone no radical change since the publication of his first edition. Both his power as an economic reasoner and the strength of his position are better illustrated in his essays than in the treatise. He well remarks that it is no longer possible to divide money theorists into mono-metallists and bimetallists, since of each of these classes there exist many varieties. There is, however, one clear and final test which serves as a dividing line, no matter how many subdivisions it may later be necessary to make. That test is the affirmation or negation of the possibility of maintaining a fixed ratio between two metals irrespective of the economic conditions of their production and consumption. This says nothing about what ratio could be maintained or what amount of government power or concerted action would be necessary to maintain a fixed ratio. Yet whoever says that under no conditions is a fixed ratio possible, except when by accident it agrees with the market ratio, is some kind of a mono-metallist and he who says that it is possible is some kind of a bimetallist. It then follows that each party must give his reasons for the faith that is within him. No amount of discussion of the monetary evils of which both sides are cognizant, whether professedly or not, nor general talk on the morality of bimetallism will suffice to clear the already too hazy atmosphere so long as this vital question is neglected. Professor Nicholson devotes one of his shortest essays to this question and seems to prefer to make the quantitative theory of money the test of bimetallic orthodoxy. Undoubtedly the quantitative theory in its relation to prices is another vantage-ground from which to give and take battle, but it may be held with so many different restrictions as to be accepted by both mono-metallists and bimetallists. We should like to see bimetallists of Professor Nicholson's calibre devote more discussion to the vital point of the possibility of a fixed ratio. Among minor points we may mention the fact that the two essays on "Living Capital" and

"Capital and Labour," which attempt to estimate the capitalized value of the individuals who compose the population of England and to compare this with accumulated capital from the point of view of the labor struggle, seem rather out of place in a collection of purely monetary essays, their problems having little connection with those of monetary science. Moreover, the uncertain basis upon which such statistical estimates are made detracts much from any conclusions that may be drawn. The essay on "John Law of Lauriston" will again be welcomed by all students who wish to study a remarkable period in monetary history. It is thoroughly well done and will help to "brush away some of the dust of oblivion and the mire of calumny from the name of a man who in power and determination and sheer ability was one of the strongest men that Scotland has produced." In attempting to clear up the use of the term "appreciation of gold," Professor Nicholson tells us on page 54, that since appreciation means that gold coin will purchase more commodities or conversely, that commodities will bring fewer pieces of gold, therefore, "it is unmeaning to speak of the general fall in prices being caused by the appreciation of gold." In other words appreciation of gold and fall in prices are, according to Professor Nicholson, one and the same thing. Unless Professor Nicholson wishes to go into a metaphysical discussion of the "causal relation" and enlighten us with some new principle his point here is not well taken. The usage which he condemns has not only the weight of good authority in its favor, but it expresses, as well as words ever do, the thought intended. Mr. Goschen on Feb. 28, 1893, in speaking on the monetary question in the House of Commons, said that the lowering of prices was caused by an appreciation of gold. A gold appreciation or a fall of prices are two expressions which may be used to convey the idea that there has been a change in the relation of prices to the standard in which they are measured. Now it is true that this change may be due to two causes, both to changes in the standard and to other changes affecting the prices of commodities, in which case it would be inexact to say that gold appreciated because prices fell or *vice versa*, but as soon as we say the fall in prices has been caused by an appreciation of gold we mean that the change in relation has been due to changes in gold. It is like two ends of a see-saw, when one end goes up the other must go down, but when we say that end A went down because end B went up we mean that some change in the weight on end B took place which caused the movement. No one is deceived by this usage of terms and we see no clearer way of expressing the given idea.

Herr Bamberger, as a member of the German Reichstag, is so well known by his speeches and writings on money topics as to need no



introduction. The present little book has, moreover, met with astonishing success, as not every money treatise passes through four editions in so short a space of time, and we are told that a fifth, and I believe unaltered, edition has been issued since we received the fourth for review. M. Raphael-Georges Levy, Professor at the École libre des sciences politiques at Paris, has just published a French translation of this work together with other of Bamberger's writings in a volume of the "*Collection d'auteurs étrangers contemporains*," "*Le metal-argent à la fin du xix<sup>e</sup> siècle*" comprises the "Fate of the Latin Union," "Silver," and "Sophistries of Silver-advocates." In "Sophistries of Silver Advocates," Bamberger reviews the case of the bimetallists in Germany, and touches at times on the international question but always from a distinctively German point of view. While there is a great wealth of valuable practical experience brought to bear on all that he has to say in favor of the unconditional maintenance of a single gold standard, and all lovers of a sound monetary theory must agree with many positions he arbitrarily takes against some of the unproved experiments that our bimetallic friends would hastily push into execution, no reader of this book can fail to see that it is the special pleading of a political leader with his eye on the practical political situation rather than the writing of a pure searcher after truth or a would-be reformer. The Agrarian party in Germany represents agricultural interests that have suffered severely in late years from some cause or causes, and it has grasped at bimetallism, at anti-semitism, and at anything else that offered an outlet for its discontent and the hope of a change; often, it is true, without other than a superficial selfish interest in the theory chosen as a means to an end, yet Bamberger is certainly a little unfair in charging all German bimetallists with fickleness and inconsistency. Bimetallism of the international type had able representatives in Germany before the movement received the political support of the Agrarian party. With this general introduction Bamberger addresses himself to the two questions upon which he believes the bimetallists rest their case, the fall in prices of agricultural products due to the gold standard having been introduced into Germany, and the injury done German agricultural interests by unfavorable competition with those lands having other money systems which enabled them to flood German markets with agricultural products.

He finds that the fall in price of agricultural products, except in a few cases where the harvests were exceptional, has been no greater than in other products and he claims that this is in no wise due to scarcity of money as the quantity of money in the world's banks and in Germany has materially increased in recent years. This last

statement is based on certain bank statistics without considering the question of the influence of possible changes in the means of doing business and is not an absolutely satisfactory proof that the stock of money has increased. Space will not permit us here to discuss in detail Herr Bamberger's successive points. He does not believe that the amount of free gold to maintain a gold standard need be very considerable, but thinks that increasing combinations of credit and balance arrangements tend to decrease the amount of gold necessary. He maintains that it is impossible to force silver into circulation where it is not wanted and refers to unsuccessful attempts of the United States Government to help silver into circulation by forwarding it free of charge to all parts of the country. He believes that since the great gold influx after the Californian and Australian discoveries, there has been a marked public preference for gold on account of its convenience and as a matter of taste, and that the crisis, which the discarding of silver produced, would have come sooner had it not been for increased Indian consumption of silver at this critical period. He declares that the increased use of silver as a reserve against the issue of notes is one of the inherently impossible plans of the bimetallists at the present time, and he finds in the so-called "Hinkende Währung" ("lame coinage," a money system on gold basis but making large use of silver),—so widespread at present only a trifle better than a silver standard, and justifiable only where it is the intermediary stage to a pure gold coinage. He meets Wagner's strong objection, that there is not enough gold reserve for the possibility of war, with the assertion that Germany's war fund, stored up in the Juliusthurm, will not be paid out at once in case of war, but used as a reserve basis to guarantee a war currency of notes, etc. The question of the fall in prices, its extent and causes, monetary conferences, the question of the old or a new ratio, the condition of the silver industry, all come in for their share of treatment. In an appendix written for this fourth edition, in July, 1893, we see the last proof of German bimetallists knocked down, in that India has seen the light and is going to adopt a gold standard, and no longer can Indian competition in agricultural products furnish the wicked Agrarians any arguments for their bimetallic faith.

As already remarked, this volume partakes throughout rather of the nature of a party program: it will convince those already convinced of the rightfulness of their position, but can in no wise be considered a scientific contribution to monetary literature, except in so far as it clears up in a very satisfactory manner and puts in splendid contrast the real points at issue in the so-called silver controversy. Herr Bamberger has added in a second supplement a German translation of two articles, by Mr. A. de Foville, originally printed in the *Economiste*

*Français*, Nos. 15 and 16, of 1893, entitled "Silver and Gold." The general conclusions are the same as those of Bamberger. The articles are exceedingly well written and contain in a short space one of the clearest statements of the silver question that we have seen.

Bamberger's other writings, now made more accessible to French readers, perhaps also to English ones, are no less partisan. In the preface to M. Lévy's very readable translation, he admits that M. Bamberger is a "special pleader." The "Fate of the Latin Union" contains so much valuable historical material connected with the history of this union that the French translation will be very acceptable to those to whom the German edition is less intelligible. M. Lévy has added greatly to its value by inserting in an appendix, a copy of the text of the first Latin Union treaty (1865) and of the last two, dated 1885 and November, 1893, respectively.

The next number (3) in the list of works above cited shows us that M. Lévy is more than a translator, and that he has utilized well his long experience in practical banking and monetary dealings. "*Melanges financiers*" is one of the clearest and most suggestive of recent publications, and it will repay study much better than its modest title would perhaps warrant. The first part, entitled "*la speculation et la banque*," traces the true and necessary rôle of speculation in modern business, and indicates how well organized banks should differentiate out this element or leave it to other financial institutions in order to guard the public's interests and their own position as institutions of deposit. Part second on "*l'avenir des métaux précieux*" treats the vexed question of the gold and silver supply with great fairness. It turns on the arguments of the bimetalists and mono-metallists alike the keen criticism of one who knows the actual money market, who realizes fully the present evils, but who knows equally well the difficulty in the way of making any radical change, however good theoretically, without taking due account of the transitory steps and the possibility of preserving continuity with outstanding credit obligations.

We have often thought that a possible solution of some of our monetary troubles might be obtained if governments would agree to simply stamp gold and silver coins as to their weight and fineness without expressing any value, thus leaving to individuals all responsibility in the making of contracts for deviations between past and future values. M. Lévy clearly states this idea as that which seems to him to be the most hopeful outlook, but he does not anticipate its speedy adoption owing to the very difficulties, already alluded to, of bringing such a scheme into harmony with present conditions. Part third, entitled, "*le change*," deals with the causes of fluctuations in



exchange due to varying relations of gold, silver and paper money in a country, and traces out the effect of such fluctuations on agriculture, commerce and industry. Part four, on "*le billet de banque*," gives a summary of the laws and conditions that regulate banking issues in all the countries of Europe, Asia, Africa and America. Much valuable information on the organization of the banks of issue in European countries will be found here, and it is in these last two parts of his book that M. Lévy's practical experience has served him best. Throughout, however, the fairness, keenness and clearness of his writing will warmly commend it.

To all who wish to know in a condensed way what is the present status of the Austrian Monetary Reform, Professor Wieser's lecture, delivered on January 22, 1894, before the Merchants' Club of Prague, now reprinted with some additional information, will be very welcome. Professor Wieser has a decided leaning toward international bimetallism, but he is first of all a patriotic Austrian who believes that the present reform must be carried through, that Austria must get gold enough to put her on an equal footing with other European countries before there can be any question of bimetallism. He believes that this can be done, and that Austria will secure gold enough to put her in as good a position as other countries with the exception of England. He does not deal with the question of the world's gold supply, which is of secondary importance for Austria at present. His explanation of the difficulties thus far encountered by Austria in securing gold is extremely interesting.

In a double number of the "*Vorträge und Abhandlungen*," published by the Economic Society of Berlin, Herr Heim gives us the results of further studies on the condition and outlook of the gold supply in South Africa. His first studies and conclusions published in the *Zeitschrift für die gesamten Staatswissenschaften* (Vol. 47, 1891, pp. 584-598), will be recalled as forming part of the united attack of Ruhland and Heim, in opposition to the Suess theory. Heim has visited the South African gold fields and has good command of all the sources of information. His use of statistics at times does not seem to show the care and accuracy that will guarantee their unquestioned acceptance. So many of the conclusions in such a piece of work as Herr Heim has undertaken have to do with mere speculations as to future possibilities, that the bulk of the service it is possible to render, must be to make us more familiar with actual conditions. So much interest and controversy centres at the present moment in these South African gold fields, that all light from that source is welcome and Herr Heim's contribution cannot fail to interest many readers. He is an optimist, who sees a bright future for the gold cause, in the

development and opening up of South Africa and tells us, that in the near future, South Africa alone will cause a considerable increase in the world's annual output of gold.

S. M. LINDSAY.

*Essays on Questions of the Day, Political and Social.* By GOLDWIN SMITH, D. C. L. Pp. vii, 360. Price, \$2.25. New York: Macmillan & Co., 1893.

*Orations and Addresses of George William Curtis.* Edited by CHARLES ELIOT NORTON. Vol. I: *On the Principles and Character of American Institutions, and the Duties of American Citizens, 1856-1891.* Pp. vii, 498. Vol. II: *Addresses and Reports on the Reform of the Civil Service of the United States.* Pp. vii, 527. Vol. III: *Historical and Memorial Addresses, with portrait.* Pp. vi, 406. Price, \$3.50 per vol. New York: Harper & Bro., 1894.

The reader of Dr. Smith's essays will lay the volume down at the close in a curiously confused condition of mind. He will feel as if he had been rapidly and rudely revolved about between the positive and negative poles of a powerful dynamo. Whether to be angry at the exasperating virulence and oftentimes petulance of the author's criticisms and the inconclusiveness of his observations, and astounded at his suggestion of civil war as the proper preventive of the achievement of Home Rule for Ireland, such as we find in his essays on "The Political Crisis in England," "Woman Suffrage," and "The Irish Question;" or to be filled with enthusiastic admiration at his calm and comprehensive treatment, splendid in style and cogent in argument, of other burning questions, as "Social and Industrial Revolution," "The Question of Disestablishment," "The Jewish Question," and "The Empire," and his strenuous endeavor throughout all of these essays to state fairly the premises from which he draws his conclusions: all these things place one in a quandary of conflicting judgments and feelings. But the rapid alternating currents, intellectual and emotional, will generate a good deal of vigorous thought, whether it be to understand and to agree with or to understand and to disprove his reasonings and predictions.

The judgment of the reader concerning the volume will be determined in most part by his predilections respecting the attitude of organized society toward the social, political and industrial movements of our day. If he "be a liberal of the old school as yet unconverted to State socialism who looks for further improvement not to an increase of the authority of government, but to the same agencies, moral, intellectual and economical, which have brought us thus far;" who expects gradual betterment of social condition and not "regeneration" of man, these essays will body forth his views most admirably; and

Dr. Smith will have appeared to have handled his facts fairly and adequately and drawn his conclusions rightly. If, however, the reader be an enthusiastic reformer, anxious for and expecting great things from governmental interference and participation in the affairs of men, he will be thought sadly lacking in sobriety of tone, in adequacy of treatment, in correctness of statement of representative facts and deductions from them, and most of all, in sympathy for the suffering millions.

One thing will be readily perceived in reading these essays, and that is the very practical, matter-of-fact turn of Dr. Smith's mind. He is usually spoken of as a brilliant writer and essayist, and surely if this much-abused adjective can be applied to any living writer it is applicable to him; but with Macaulay and writers of that ilk in mind, it is not usual to associate particular fondness for the hard, obstreperous facts of life and great attention to the significance of details which really characterize our profound students and thinkers who see the nature and bearings of their subjects, with brilliancy of literary style. Yet he is a keen and painstaking observer; and these pages bristle with facts taken from many years of observation in England and America of the events of the last half century, or culled from his extensive historical researches and reading.

In "Social and Industrial Revolution" the objects of the leading plans proposed by social reformers for bettering the social and industrial condition of mankind are passed in review. Communism, Socialism, nationalization of land, strikes, plans for freeing labor from capital, as in co-operation and schemes for the manipulation of the currency and the banks, are briefly set forth, and their necessary limitations and general impracticability shown in a manner that will convince the majority, if not all, who read the essay. In discussing Land Nationalization, he asks a very pertinent question—Why is land alone singled out for confiscation? All articles of commerce, raw materials especially, have been given to us by a beneficent Deity and are affected in their value by the shifting of population just as much as land. Why not apply the single tax to everything, or nationalize all things and thus prevent the iniquitous appropriation by the individual? "Looking Backward" comes in for an extended and searching criticism, and is left in rather a bad plight. In a substantial appendix we have the results of his personal visit to the Oneida communistic society and inspection of the practical workings of this noted experiment.

Upon the much mooted question of the present, Woman Suffrage, we have the most strenuous opposition to their enfranchisement. His arguments are the time-worn ones: man is the stronger vessel; the deplorable state of affairs if, as of course they will, husbands should



profess different political views from their wives; the best women and the majority of women do not wish to exercise the right of suffrage; in a word, it never has been, *ergo, non sil.* Dr. Smith takes up the various arguments of Mill's famous polemic and attempts to refute them in some detail with more or less success. But he fails notably, it appears to us, in his effort to show that from the point of view of abstract right women do not possess as good a claim to suffrage as men. To say that many do not want it is no answer to those who do want it. Because other people are willing to be imposed upon or deprived of their rights is no reason or justification for my being prevented from enjoying my rights.

Upon this question it is interesting to compare the views of the late Mr. Curtis, given us in these three handsomely bound and printed octavos, in which the Messrs. Harper have preserved the records of the noble activity of one who was so long and honorably connected with their house. Two addresses are on "Fair Play for Women" and "The Higher Education of Women." We find unqualified admission of their right to the suffrage, constant advocacy of their complete and immediate enfranchisement and earnest pleas for their highest education. Comparing men and women of all sorts and conditions, point by point, masculine capacity, physical, intellectual and moral, with feminine, contrasting in many ways the claims of each, he shows beyond a shadow of a doubt that women have just as good a right to exercise and enjoy political prerogatives and rights as have their dominating brothers.

In the second volume of "Addresses" we have perhaps the best record extant of the growth of the movement for the reform of the Civil Service in this country, if indeed there is a continuous record of any sort presenting a comprehensive view of the history of the reform. It opens with his address on "Civil Service Reform" in New York City in 1869 and closes with the eleventh address given by him as President of the National Civil Service Reform League at its meeting in Baltimore in April of 1892, on "Party and Patronage," a few months before his death. (The note of the editor to the effect that Mr. Curtis' health prevented his delivering the latter is incorrect, as the writer had the privilege and pleasure of hearing him give it *viva voce*.) Besides these there is the report made to President Grant in December, 1871, by the Civil Service Commission, of which Mr. Curtis was the chairman, upon the need of reform, the rules and regulations for the Civil Service proposed by the Commission and adopted by the President together with a second report made in April, 1872, suggesting further rules which were likewise adopted. It was this Commission which Congress in the winter of 1875 ignominiously refused to

continue in power by declining to vote the requisite appropriation for its maintenance; a proceeding which we saw dangerously near repeated during the past session of Congress, the House in Committee of the Whole on Appropriation voting to strike out the usual allowance, but the House in Open Session restoring it—both of which were indicative more of partisan pusillanimity than of anything more reputable.

There is a constant, ever deepening and enduring inspiration to the reader as he courses through these records of a life nobly given up to the arduous labor of promoting civic purity and uprightness in our national affairs and communal life. It does not so much matter that these addresses do not have a minuteness and an elaborateness of treatment befitting scientific essays and monographs; or that in some of them, especially those of his younger days, we perceive a slight haziness and evasive generality in statement that makes us feel that he was not quite sure of himself, that he would not have been able to hold his own against a doughty dialectician; but it does matter greatly that as we read we are inspired and quickened and lifted up into "an ampler ether, a diviner air," by the splendor of the discourse and the sincerity of the writer; that we are shown by deeds and brave outspoken words that it is the imperative duty of scholarly men and those in high position to enter actively into the political life of their nation and community and to give their best toward promoting and preserving high civic ideals in politics and public office, even though they may suffer "the whips and scorns of time."

*Philadelphia.*

FRANK I. HERRIOTT.

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*Cases on Constitutional Law.* By JAMES BRADLEY THAYER, LL. D. Parts I and II. Pp. xx, 944. Price, \$6.00. Cambridge, Mass.: C. W. Sever, 1894.

Although this is a work designed primarily for law students, still it is one which deserves to find wide acceptance and use wherever the constitutional history and constitutional law of the United States are taught, since its subject-matter is of fully as much importance to the student of history as to the student of law. The treatises of Cooley, Hare, Story and others find here just that supplementary and illustrative material needed in order to afford exact and complete knowledge. Much, perhaps too much, stress is sometimes laid upon the study of sources, but whatever may be its limitations in other directions, it certainly forms a very essential part of the study of American constitutional law; without a familiarity with the "cases," one must almost necessarily be frequently led astray. Nor will it suffice, as the slips of some of the most learned writers bear witness, to rely upon the head-notes of reports—the cases themselves must be read, and read with

care. Such reading is an art in itself, and expertness comes only with long practice and careful training; on this account one cannot but lament that Professor Thayer has not multiplied the invaluable notes with which he has here and there elucidated some specially obscure passages or unusually difficult problems. For it is sincerely to be hoped that teachers of American history may make extensive use of this work, and not all can have enjoyed, in their study, the guidance of a master of the subject.

The two parts issued, forming the first of the two volumes of the work when completed, deal first with some preliminary considerations respecting constitutions, with written constitutions in the United States, and with making and changing constitutions, both Federal and State; then follow chapters on the jurisdiction of the United States, on citizenship and civil and political rights, and on the police power. There are also valuable appendices, giving national and State constitutions, entire or in part. The second volume will, it may be presumed, treat, among other things, of the obligation of contracts, *ex post facto* legislation, regulation of commerce, taxation, money, bills of credit, eminent domain, and war and treaty powers.

In the more than 900 large and closely printed pages already published, Professor Thayer has provided such an abundance of material with judicious care in selection—a choice based upon many years of teaching—that one can do little more than call attention to the inestimable value of this collection of cases, both to teachers and to students. There are to be found here not only the leading cases, such as *Marbury vs. Madison*, *Fletcher vs. Peck*, *Gibbons vs. Ogden*, *McCulloch vs. Maryland*, *Texas vs. White*, the *Slaughter-house* cases, the *Civil Rights* cases, and so on, but also the less familiar and less accessible cases, which until now had to be sought through hundreds of volumes of Federal and State reports.

The editor always gives the language of the judges, never attempting to condense or summarize, except occasionally in the preliminary statement of facts, and all omissions are clearly indicated. In this exact reproduction of the opinions there is one element of danger for the inexperienced reader, in that he may sometimes fail to discriminate between dictum and decision; but the merits of the plan plainly outweigh any disadvantages connected with it. In conclusion, attention may be called to the fact that the subject is treated not only topically, but also, when possible, chronologically, and is brought down to the present time, cases of the year 1894 being cited. In this way the historical development of judicial opinion may be easily traced.

CHARLES F. A. CURRIER.



## NOTES.

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FEW RECENT monographs give evidence of more patient ransacking of colonial records than does Dr. Cortlandt F. Bishop's "History of Elections in the American Colonies." \* In the bewildering chaos of materials the writer brings order by his logical arrangement of topics. Part I is devoted to General Elections; here are found a sketch of the history of elections of colonial executives and assemblies, a discriminating account of the varying qualifications required of the electors in the different colonies, and a description of election methods. Part II contains a similar discussion of Local Elections. Several appendices are added, giving the writs, returns and oaths in use at various times in the colonies, certain unpublished statutes relating to elections, and a list of the authorities quoted.

In assorting and condensing material from so wide a field entire freedom from inaccurate or ambiguous statement could hardly be expected. Thus in the paragraph devoted to Massachusetts elections, Endicott is mentioned as "the first governor," the context implying that the office to which he was chosen in 1629 was the one authorized by the first charter, whereas it was not until many years later that Endicott became governor of the colony.

A study of the Federal Constitution and of congressional legislation would give but an inadequate notion of our present election methods. So in this monograph there is evidence here and there (as in the sections which relate to the assistants in Massachusetts) that the history has been written too largely from the statute-books, with too little regard to the essential modifications which law underwent in actual use. But in spite of slight defects of this kind the student will find in this book a painstaking, and, in the main, accurate summary of an important and hitherto neglected chapter in American institutional history.

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MANY STUDENTS of economics are doubtless familiar with the excellent reprint of Cantillon's "*Essai sur le Commerce*," † which Harvard University made some time since. This discussion of riches, labor,

\* *History of Elections in the American Colonies*. By CORTLANDT F. BISHOP, Ph. D. Pp. 297. Price, \$1.50. Columbia College Studies in History, Economics and Public Law. Vol. III, No. 1. New York, 1893.

† *Essai sur le Commerce*. R. CANTILLON. Pp. 436. Price, \$1.50. Reprinted for Harvard University. Boston: George H. Ellis, 1892.

value, population, money, currency and exchange was written, as the editor of the reprint says, "between 1730 and 1734 by Richard Cantillon, a natural-born British subject." The preface to the reprint gives a brief biographical sketch of Cantillon, and a short list of the writings concerning the work of Cantillon. The edition of 1755 is the one reprinted. It has been reproduced from the French as far as possible without change. The binding and press work are well executed. The work forms a useful addition to the material available to students of economic theory.

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MR. WILLIAM EPPS' "Land Systems of Australia"\* contains a digest of the changes in the legislation of the several Australian provinces concerning the alienation and the occupation of land, with pertinent statistics. Large proportions of the land, whether "owned" or "occupied," are in large estates which are used for bonanza farming, or are held for speculation. No province has been able to forestall speculation. The author is "appalled" at the statistical disclosures of the relative increase of urban population even in this virgin land. New Zealand has recently undertaken to limit the amount of land owned or occupied to two thousand acres; and the governor is further authorized to establish State farms, to which "the surplus workmen of the town" shall be drafted. From a perusal of the book, it is apparent that there are economic forces at work in the settlement of Australia which the author does not appreciate at their true worth.

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PERSONS DESIRING a brief sketch of English commercial history will find a recent book by H. de B. Gibbins† very readable. It is written in the form and style of a brief textbook. The writings of Bastable and Cunningham have been made use of to good advantage by the author. The style of the author is clear, the arrangement good, and the material has been chosen with discrimination. A good list of authorities, taken from Bastable article on "British Commerce," in the "Dictionary of Political Economy," is inserted at the end of the book.

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THE FRIENDS of the University of Wisconsin have established two scholarships that enable the students holding them to do charitable work during the summer in Cincinnati and vicinity. The work is

\* *Land Systems in Australia*. By WILLIAM EPPS. Pp. 184. Price, \$1.00. London: Swan, Sonnenschein & Co. New York: Imported by C. Scribner's Sons, 1894.

† *British Commerce and Colonies from Elizabeth to Victoria*. By H. DE B. GIBBINS, M. A. Pp. 136. Price, 1s. 6d. London: Methuen & Co., 1893.

done under the direction of Dr. P. W. Ayres, General Secretary of the Associated Charities of Cincinnati. As stated by Professor Ely, of the University of Wisconsin, the plan is to do work, "first, in the homes of certain portions of the city; second, in various municipal offices to which the Associated Charities has access; third, in various public and private institutions in Cincinnati and the neighboring cities." The two scholars appointed from the University of Wisconsin this year were Henry S. Youker and George S. Wilson, of the Class of 1894.

THE EIGHTH SESSION of the International Congress of Hygiene and Demography will be held at Budapesth September 1-9. The following comprehensive list of subjects has been selected for discussion :

*Hygiene*: I. Section: The Aetiology of Infectious Diseases (Bacteriology).—II. Section: The Prophylaxis of Epidemics.—III. Section: The Hygiene of the Tropics.—IV. Section: The Hygiene of Trades and Agriculture.—V. Section: The Hygiene of Children.—VI. Section: The Hygiene of Schools.—VII. Section: Articles of Food.—VIII. Section: The Hygiene of Towns.—IX. Section: The Hygiene of Public Buildings.—X. Section: The Hygiene of Dwellings.—XI. Section: The Hygiene of Communications (Railroads and Navigation).—XII. Section: Military Hygiene.—XIII. Section: Saving of Life.—XIV. Section: State Hygiene.—XV. Section: The Hygiene of Sport (Inurement and Care of the Body).—XVI. Section: The Hygiene of Baths.—XVII. Section: Veterinary.—XVIII. Section: Pharmacology.—XIX. Section: General Samaritan Affairs.

*Demography*: I. Section: Historical Demography.—II. Section: General Demography and Anthropometry.—III. Section: The Technic of Demography.—IV. Section: The Demography of the Agricultural Classes.—V. Section: The Industrial Laborers from the Demographic Point of View.—VI. Section: The Demography of Towns.—VII. Section: The Statistics of Bodily and Mental Defects.

Up to June 15th 718 papers had been promised. In connection with the Congress, there will be an exhibition for the purpose of illustrating the questions discussed, and showing the progress made in practical sanitation, etc. Provision is made for the entertainment of women attending the conference. The general secretary is Professor Dr. Coloman Müller.

MACMILLAN & Co. have brought out an elementary textbook on "Commercial Law."\* Mr. Munro, the author, is "of the Middle Temple, Barrister-at-Law, formerly Professor of Law in the Owens

\* *Commercial Law*. An elementary textbook for commercial classes. By J. E. C. MUNRO, LL. D. Pp. viii, 191. Price, 3s. 6d. London and New York: Macmillan & Co., 1893.



College, Manchester. He has written "to provide an elementary textbook on commercial law, for schools and colleges." The work will doubtless prove useful to English students; but, inasmuch as the discussion is only of English commercial law, Americans will find the book serviceable only to a limited extent. A textbook of like character, written for Americans, would be a useful work.

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MR. BURTON WILLIS POTTER has brought out a third and enlarged edition of "The Road and the Roadside."\* It is popular in style, written for the double purpose of awakening an interest in better roads and of giving information concerning the laws pertaining to Massachusetts highways. Mr. Potter's legal training qualified him well for the second purpose, and that part of the work has much merit. Less can be said in favor of the other portions of the book, though they may possibly do something to awaken a popular interest in the subjects discussed. The appearance of a third edition, seven years after the first one, is evidence that this is the case.

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IT IS THE INTENTION of Dr. C. W. Macfarlane, author of a recent monograph,† to write a "History of the General Doctrine of Rent" that shall include a review of the contributions to the subject by the English, French and German economists. The present monograph will form a part of that more comprehensive work. In this dissertation upon the contribution to the doctrine by German economists, the author considers the works of Hufeland, Kraus, Lüder, Jacob, Rau, Nebenius, Hermann, Schön, Riedel, Schüz, Eiselen, Mangoldt and Schäffle. He develops the subject by determining whether these writers extend the law of rent to land, labor, capital and the undertaker. In the case of land, he ascertains whether, in applying the law, the following Ricardian concepts are recognized: Difference in fertility, distance from market, law of increasing return, law of diminishing return, price determined by greatest cost, and rent determined by price. Some of the results of his study may be briefly stated as follows: The rent of capital is *formally* recognized by Hufeland, 1807; and by Rau, 1826; it is *actually* recognized by Hermann, 1832; and it is both formally and actually recognized by Mangoldt, 1855. The rent of labor and the rent of the undertaker are both formally and actually recognized by Hufeland and by Mangoldt.

\* *The Road and the Roadside*. By BURTON WILLIS POTTER, M. A. Third edition, revised and enlarged. Pp. xix, 250. Price, \$1.50. Boston: Little, Brown & Co., 1893.

† *The History of the General Doctrine of Rent in German Economics*. By C. W. MACFARLANE, C. E. Pp. 61. Leipzig: Gustav Fock, 1893.

Even before Hufeland, the functions and qualifications of the undertaker were more or less clearly stated. In the application of the doctrine of rent to land, "we find in Hufeland a clear and explicit statement of all the Ricardian propositions, except the law of diminishing return; this, however, seems to have been quite frequently lost sight of in German, as well as in English economics," p. 57. A complete acceptance of the Ricardian doctrine is found in Rau, 1826. As a whole, the work is characterized by great painstaking and judicious criticism. There are, however, a few matters to which exceptions may be taken. Hufeland's contribution to the doctrine of land rent is overestimated. The author writes of Hufeland: "He parallels Ricardo (1815) in almost all his fundamental propositions. They are, perhaps, not quite so clearly stated as at the hands of the great Englishman, yet clear enough to leave no doubt as to his complete grasp of the question," p. 12. Now it is interesting to note that *every one* of the Ricardian concepts which the author finds expressed in Hufeland is taken by Hufeland from Adam Smith. Although President Walker shows that the return of the entrepreneur follows the same law as the rent of land, the author claims that "he has failed to reach that generality of concept found among those German economists who have contributed materially to the discussion, for, unlike them, he does not call this return—which admittedly follows the law of rent—the rent of the entrepreneur, but the profit of the entrepreneur," p. 9. But the mere fact that President Walker calls the return of the entrepreneur profit, and not rent, does not prove that he has failed to reach the generality of concept. Rau, Roscher and Mithoff, writing subsequently to Mangoldt and Schäffle, note the treatment of the rent doctrine by those economists, and yet refuse to accept their nomenclature.

NOV.

1894.

ANNALS  
OF THE  
AMERICAN ACADEMY  
OF  
POLITICAL AND SOCIAL SCIENCE.

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WHY HAD ROSCHER SO LITTLE INFLUENCE  
IN ENGLAND?

In his interesting address to the Economic Section of the British Association, Professor Bastable\* called attention to the fact that none of Roscher's works had been published in England, and that several of his best books were not available for the English reader. Even the excellent monograph which has done so much to revive interest in the English economic literature of the seventeenth and eighteenth centuries is still hidden in the transactions of the Saxony Royal Society.† Individual English students have, of course, been familiar with his work, and Lord Acton has shown how highly it is appreciated by an excellent judge,‡ but the English public have been untouched by it altogether. In Germany, on the other hand, a veritable revolution has taken place in economic studies during the last fifty years; and Dr. Brentano, in an interesting obituary notice,§ has described it as being chiefly due to the influence of William Roscher. In

\* Address to Section F. Oxford, 1894.

† "*Zur Geschichte der Eng. Volkswirtschaftslehre*," 1857.

‡ *English Historical Review*, vol. i, p. 39.

§ *Berlin National Zeitung*, June 12, 1894. *La Riforma Sociale*, vol. i, p. 840.



1842, when his "*Grundriss*" was published, the dogmatism of Ricardo was paramount in Germany as well as in England; but, as Dr. Brentano points out, this doctrine was not a system of national or political economy, properly so called, but a mere chrematistic dealing with the wealth of individuals. It rested on the hypothesis of free competition among individuals. Roscher was keenly alive to its defects, and discarding the study of the mere mechanism of competing individuals, he devoted himself to the much more important question as to the development of the industrial life of nations. Though Dr. Brentano may perhaps have exaggerated his personal part in the change, he is at least typical of the spirit of his time in Germany, a revolution has taken place there in the whole conception and character of economic study: it has come to be concerned with the observation and study of the actual economic conditions of society in the past and in the present; not merely with the formulating of hypothetical principles, which the sciolist was only too apt to convert into ready made receipts for removing any of the ills of social life. It is not a little remarkable that while this revolution has taken place in Germany and to some extent in America, England should have been almost untouched by it. There is frequent communication between all the centres of educated thought in Europe; an advance in physical and biological science in one country is rapidly disseminated in others. The comparative isolation of English Political Economy during the last fifty years is, under the circumstances, not a little remarkable; the ordinary conception of political economy in England has been practically unaffected by a change which has already revolutionized the whole study in Germany.

The same decade, in which Roscher's first work was published in Germany, was a marked epoch in the history of English economics, for John Stuart Mill's "*Principles of Political Economy*" appeared in 1848. It rapidly secured the position of a classical work on the subject. The style

was forcible, and the book seemed to gather together into a complete and systematic whole the various contributions, which had been made by Malthus, Ricardo, Wakefield and others to the subject as treated by Adam Smith. Subsequent criticism has revealed the fact that the work is not so systematic, and the style not so perspicuous as it appears; but it is hardly possible to exaggerate the influence which the book long continued to exercise on rising generations. It has made a deep mark on subsequent treatises. Professor Sidgwick seems to have set out with the intention of making some corrections in Mill, and bringing his treatise down to date, and Professor Nicholson's more recent work follows on the same lines more closely. It would be hard to find a more striking proof of the influence exercised by this great book.

But, curiously enough, it turned the attention of economists in this country into directions which were quite different from those of the new departure in Germany. The Germans began to devote themselves to the past, and thus opened up a field for discriminating observation and accumulation of facts. Mill took no pains about the past, and comparatively little with the details of contemporary experience. His eyes were fixed on the time to come; he pointed cheerfully toward a stationary state, and the most striking chapter of all is taken up with speculations on the probable future of the working classes. So far as its *matter* is concerned, the work did not stimulate to observation and research. Nor did the character of the science as treated by Mill undergo any decided change: he regards it as a hypothetical science, which assumes the existence of free competition; it is, on his view, only on this assumption that it is worthy of the name of science at all. Hence, he continued to deal with the mechanics of competing individuals, and to speak as if the larger questions of social development lay outside the domain of science, and were not susceptible of systematic treatment. Both from the form of the science as expounded

by Mill, and from the topics on which he exerted his best strength, the attention of English economists was effectually diverted from those fields of study which were attracting German students more and more.

Even when an indefatigable economist arose who devoted his unfailing energy to the investigation of the industrial life of the past, he commenced and planned his work under the old influence; and though Professor Thorold Rogers modified his attitude in many respects,\* the classical political economy determined the main lines of his work. He practically confined himself to a particular line of investigation—the bargains of individuals as exhibited in the records of prices. He did not set himself to examine the available evidence as to the general conditions of industrial life in different ages; and the records of the prices at which individuals made their bargains—however wide is the area from which they are drawn—offer but an unsubstantial basis for reconstructing the whole social edifice. The mechanics of competing individualism, in so far as it could be traced in the past, was the subject on which he concentrated his power of unwearied research. Hence, the study of economic history as carried on by Professor Rogers, with all its merits, had but little effect in modifying the conception current in England of the scope and subject-matter of political economy.

But the main advance in England, since the publication of Mill's classical work, has been in the development of economic theory. Jevons introduced some modifications, which created great interest among students and seemed to do away with the limitations imposed by Mill. He laid stress on *utility*, as the determining element in value; the degrees of *utility* were susceptible of measurement, and could be represented as quantities; so that mathematical methods of treatment could be applied to all the problems of economic science. This mode of treatment has been

\*Ashley, in *Political Science Quarterly*, vol. iv, p. 383. September, 1889.



admirable from many points of view—both for purposes of exposition to advanced students, and of investigation. For purposes of exposition it was possible to use a graphic method of illustration of the course of prices under different circumstances, and this method of illustration was often clear and effective for students who had had some mathematical training. For purposes of investigation it was also useful, as it was possible to see whether all possible cases had been taken into account in any investigation, so that it gave a means of dealing exhaustively with a given topic. Besides these real advantages, it had also an *apparent* advantage; economists no longer found it necessary to assume free competition. Final *utility* or *disutility*, the marginal quanta of pleasures and pains, exist under all conditions, whether there is competition or not; they arise in connection with all sorts of circumstances, spiritual, intellectual, and moral, as well as material. Hence, it appeared that, by the introduction of this method of reasoning, the whole scope of the study was enlarged; that instead of dealing scientifically with material wealth under the conditions of free competition, and with that alone, economic science could henceforward treat accurately and exhaustively sociological problems of all sorts and in all times, by taking the money measurement of quanta of utility or disutility.

Both on account of its real and of its apparent advantages, this method of treatment came rapidly into fashion in this country. Fashion in academic matters is a curious subject which demands a special study; it may exert an extraordinary influence even on traditional and highly organized methods of instruction, as we have seen in recent variations in the pronunciation of Latin and Greek. In subjects which are less deeply rooted in our educational system, it is still more potent. The special proclivities of one distinguished and enthusiastic teacher may readily affect the character of the whole of the economical teaching in the country. But the influence of fashion is also powerfully

exerted by means of Civil Service and other written examinations, examiners like to find how far the reading of candidates is up to date, and are particularly apt to set novelties ; while those who prepare candidates for examinations follow the slightest hint as to the kind of question that examiners are likely to set. It was not surprising, when Professor Marshall recast the greater part of political economy, by restating the principles in his "Economics of Industry" according to the new lights, that the teaching and examining in many parts of England should be rapidly remodeled on the lines he adopted.

While the freshness and advantage of the Jevonian analysis may be fully recognized, so far as the advanced student and investigator are concerned, there is at least room for the question whether it offers the best means of *expounding the subject to beginners*. Its chief advantage, that of exhausting the possible cases, is not required by beginners ; nor is the graphic method of delineation a help to all classes of learners ; the difficulty of understanding the figure may be so great that the learner has no intelligence to spare for grasping the principle it exhibits. It is not clear that the new-fashioned method of exposition was really advantageous, so far as the public are concerned. However much the new-fashioned treatment may suit the advanced student, it is not convenient for dealing with beginners, or for expounding the results of economic investigation to the general public. Political economy, in its new form, continued to decline in popular favor, while the terminology and reasoning of experts was less easily adapted to the experience of actual life. But this *inconvenience* in the new treatment was really due to a deeper objection ; it was so difficult for the student to be clear how far an argument, expressed in the new-fashioned terminology, referred to actual life in a definite place or time, or only to hypothetical conditions. In its old form, it was clear that economic doctrine was only true on the hypothesis of free competition—that it

described what tends to happen to modern societies. It was obvious that in many communities, both past and present, it did not apply at all, that in others it was only partially true, and that other forces had to be taken into account. In its new-fashioned form, economic analysis could be applied to any place or time, and could take account of any measurable motive; but it gives no guidance to show for what particular place or time any given result is true or untrue. We find out a great deal that might conceivably occur at all times, but we have no means of finding out whether there ever was any time and place for which it actually holds good. Political economy in its new-fashioned form gets beyond the old limitations, but only by becoming more and more of a formal science, the relations of which with actual life are more vague and indefinite than ever.

A little consideration will serve to bring out how deeply this defect is seated in the new-fashioned economic science.

It deals with quanta of utility and disutility, measurable motives, and therefore with the *individual*, who is susceptible to pleasure and pain. It is still concerned with the play of mechanical forces, but it deals with them as they occur, not between individuals who compete with one another, but within the individual mind.

Professor Flux describes the Jevons' economics as contending "that value is essentially subjective, and that to express it we compare it simply with another subjective impression, *viz.*, that of the degree of satisfaction anticipated from the expenditure of a sum of money."\* But such measuring of individual motives leads us to a sphere in which accurate observation is proverbially difficult. There is no matter in which men may more often err than in mistaking the motives that actuate their neighbors; there is no matter in which anyone may more readily deceive himself. Attention is entirely diverted by this mode of a treatment to a field of investigation where there can be no accurate observation

\* *Economic Journal*, vol. i, p. 340.



and no verification, and where it is impossible to prove that the conclusions are right in any single instance. Under these circumstances the appearance of precision and accurate quantitative statement is merely misleading.

Professor Nicholson has pointed out how greatly these difficulties are increased, when we deal with society generally, from the fact that one individual differs from another. Men all feel pleasure and pain, but they feel them in different ways. One man's pleasure is another man's pain. This holds good of the commonest economic relationships, some men are careless about money—careless about getting it and reckless in spending it—while others are keenly susceptible to the utility both of getting it and keeping it. We can only hope, on the new principles, to reach what is generally true of any given period and area by taking the "average" man of that time and country; and this seems to Professor Edgeworth a solution of the difficulty.\* But who is to strike the average? The "economic man" of the Manchester school who acted from purely self-interested motives was an intelligible being, he might be disagreeable and one-sided, but still he was a type that was more or less exemplified in actual life; we knew what we were talking about, when he was used as a concrete illustration of a tendency. But who and what is the average man? Is it the average of certain classes, or the average of the whole country? What are the aspirations and pleasures of the average Englishman to-day? How do they differ from those of the average Scotchman, Irishman and Welshman, not to mention the average Jew and the average destitute alien? Human nature undoubtedly is much the same all the world over; but unfortunately all economic problems bring out the fact that there are differences in human beings; and we cannot get much satisfaction out of a method of measuring these real differences, which begins by striking an average among some of them. Professor Edgeworth actually admits that money, in the new

\* *Economic Journal*, vol. iv, p. 154.

phraseology, can only be used to mean pleasure with reference either to an individual, or "to a group of persons among whom, rich and poor, sensitive and phlegmatic natures are distributed in normal proportions."\* But what are normal proportions? Was there ever such a group? How do you know it when you come across it? Is it not a mere symbol, with which nothing in the world of fact can be identified?

The attempt to measure the play of motive forces in the average Briton at present, takes us far away from actual life; the unreality of the whole becomes more obvious if we turn our attention to the past, and to the genesis of the social conditions under which we live. For what period in time do we strike our average? For the last three years, or the last ten years, or a century, or more? Changes in habit and expectation are going on very rapidly at present. The awakening of conscious dissatisfaction in regard to physical conditions, which our forefathers accepted as inevitable, is readjusting all the utilities and disutilities of artisan life. Yet economists draw curves of rates of wages for "long periods" either on the assumption that the average man remains unchanged in some unspecified long period, or that the rate at which the average man changes can be definitely taken into account. The train of reasoning may be ingenious enough, it may lead, as has been triumphantly claimed, to "results that are not only new, but even paradoxical," but it is merely grotesque in its hopeless unreality.

Yet the fact that this mode of reasoning was susceptible of universal applicability has given it a certain fascination which has blinded its adherents to its merely formal character; it has prevented them from attempting to imitate the careful observation of facts both in the past and the present, and limited generalization from them, which has brought about progress in other sciences, and which has been the accepted method of study by the realistic or historical

\* *Economic Journal*, vol. iv, p. 154.

school of German economists for a generation or more. Owing to its universal form the new "economic organon" of recent theory is applicable everywhere, and it appears easy enough with its aid to take history into account. It is easy to go to the history of some place or other for a haphazard illustration, *e. g.*, of the misuse of a monopoly, like the Dutch practice of destroying spices. Since the new-fashioned English economist deals with average man, and is satisfied with a rough guess as to the motives of the average man to-day, a few superficial generalizations serve to depict the average Greek and the average Roman, or the average inhabitant of a mediæval city. It is needless to observe that to draw a delineation of the characters and aims of men is not easy; but it seems possible to do it well enough for the purpose in hand. Hence, while an English economist, like Mill, turned from the history of the past before the ages of competition as unsusceptible of scientific treatment, the more recent English economist likes to make references to history and airy remarks about history. Mr. Price seems to think that in this way the results of the work of the historical school can be incorporated into the main body of economic tradition.\* The student who takes a serious interest in trying to understand the actual course of affairs in the past, will hardly be content with the position assigned him; but after all theorists, who are satisfied with doctrines that are curiously unreal for the present day, can hardly be expected to take much pains to be true to life in their explanations of the past. But as they can deal with the whole range of human existence in the unreal fashion that satisfies themselves, they are apt to wear an air of omniscience which may mislead their readers, even when they are personally conscious of the limitations of their own knowledge. The misapprehension is encouraged, however, by occasional expressions which such writers permit themselves; they sometimes disparage the labor which Germans bestow in the hope

\* *Economic Journal*, vol. ii, p. 25.



of finding out what the English writers seem to think they already know. To this I shall presently return, it is enough to notice that the modern developments of economic theory in England have fostered a habit of mind which is altogether alien from that of the students who have been carrying out a revolution in economic science in other lands.

Those who choose to refuse to conform to the reigning fashion in the community in which they live, must expect to be ostracized, and the tyranny of intellectual fashions is even more supercilious than that of Bond Street and Savile Row. Anyone who has refused to follow the economic fashion of recent years in England must have been greatly hampered in his efforts to pursue his own studies or guide those of others; boards of studies would exercise a galling control, and editors and publishers would view his writing with suspicion. That is the natural fate of those who do not swim with the stream. There was no need for the English adherents of the realistic school of economists to complain when obstacles were placed in the way of their work, and avenues of publication were closed against them. But they have a right to break silence and to examine any criticism directed against themselves, any fault which is found with their methods, and any reason which is alleged for the attitude taken toward them by the dominant school in England.

One charge has been made by recent English economists against the historical school in Germany and in England. It has been reiterated again and again. The time has come when we may fairly ask that some attempt should be made to substantiate it. As recently stated by Mr. Price it runs as follows: "As a matter of fact, however, we ourselves consider that every economic historian, however stubborn be his convictions and genuine his intentions, does actually, though perhaps unconsciously, bring some guiding theory to the study and interpretation of facts, and that a careful inspection of works on economic history results generally, if not uniformly, in the discovery of the familiar outlines of the

conceptions of traditional economic theory; and we think that the same limitations of the human intellect, which prevent the possibility of economic theory being adequate to cover every fact, render it also impossible to dispense with its assistance."\* Mr. Price reiterates the criticism against which I have already endeavored to protest † when it was put forward in more guarded language by Professor Marshall. "The next objection comes from the extreme wing of the modern real or historic school of economists. . . . As thirty years ago a number of men who had never done any solid work for economics and knew nothing of its real difficulties were confidently proclaiming the solution of the most intricate problems by a few cut and dried formulæ, so now men of the same class are advocating another short cut in the opposite direction. They are telling us to discard all theories and to seek the solution of our economic difficulties in the direct teaching of facts." ‡ A charge is brought, not against any individual in particular, but against an unnamed portion of a school. There is no definite statement of fact which could be verified or disproved; but there is an adroit insinuation of the charge,—*that certain members of the historic school of economists profess to discard all theories, and subsequently stultify themselves by implicitly using these very theories.* The repeated accusation seems to demand a second attempt at defence.

It may clear the ground and bring out the true nature of the issue if I begin at once by admitting that no historical economist can or does dispense with all theories. The word theory is highly ambiguous, being sometimes used as equivalent to hypothesis, at other times as equivalent to general law or truth,§ but this need cause no difficulty. Real or historical economists do rely on theory in both of these senses; they rely on theories or hypotheses to group their

\* *Economic Journal*, vol. iii, p. 661.

† *Ibid.*, vol. ii, p. 25.

‡ "Present Position," pp. 39, 40.

§ Jevons "Elementary Logic," p. 274.

observations together; and they sum up the results they obtain for a given period in generalizations which some would call theories. There is, in their researches, as in every empirical investigation, an element of hypothesis, and their conclusions would be unintelligible unless the particulars were summed up, however guardedly, in a general statement. Dr. Schmoller's excellent remarks on the method of political economy,\* as understood by a leader of the realistic school, may be accepted as conclusive in this respect; observation involves abstraction and therefore theory, while the aim of all study is to build up general truth.

But even if all are agreed as to the practice of historical economists, have they not been guilty of folly and inconsistency in professing to discard theories? That depends entirely on the precise form of the disclaimer.† If the unknown author of the unquoted passage really disclaimed the use of *all theories* in his investigations, he was obviously self-condemned; but if he only said that he preferred at any given time to dispense with *all theories that were inappropriate* as instruments for his researches, he need not have been guilty of the alleged inconsistency: to object to *theory as such* is one thing, to object to *inappropriate theory* is quite another.

There need be no inconsistency whatever in making use of hypotheses and in generalizing, on the one hand, and in trying to discard all inappropriate theories on the other. Appeal may be made on this point to unprejudiced judges. The general attitude taken by Mill did not incline him to sympathize too much with the historical school, but he was keenly alive to the fact that economic conceptions were only applicable within narrow limits. Economic laws according

\* Conrad's "*Handwörterbuch*," vol. vi, pp. 532, 539, *La Riforma Sociale*, vol. i, pp. 37, 223.

† About this it is difficult to argue, as no hint has yet been given by those who reiterate this charge of the authority on which the accusation rests. No reference is given by the critics to any passage in any writer who has been guilty of the mistake, it is only spoken of as if it were the well-known characteristic feature of a larger or smaller group.



to his view were formulated on the assumption of free competition; if anyone were investigating economic phenomena at a place or time when no such competition existed, scientific treatment was impossible, for economic law was in his view inapplicable; such students could get no help from it. It gave conceptions which were not appropriate to the phenomena, and under which they could not be conveniently ranged. Dr. Carl Menger is usually quoted as the great opponent of historical writers in Germany, yet he takes a line in his "*Grundsätze*" which is far more closely akin to their practice than to that of their English critics. It is his aim to build up, systematically, a realistic political economy, on the analogy of an empirical science like chemistry; he points out again and again cases where some economic conceptions are inapplicable, because of the circumstances in which men are living. These two leading economists have been on their guard against the introduction of inappropriate conceptions, and evidently regard it as a real danger.

From the manner in which they reiterate this criticism, however, it seems that recent English writers take a different view of the character of economic theory. They seem to believe that economic theory, as now restated, is useful as a means of investigation in any time or place, and that it can never be considered as inappropriate. In a very limited sense this may be admitted, for it has been already pointed out that economic theory is now developed in a form which is susceptible of universal application,\* and that it can take account of all sorts of circumstances and conditions which the older economists were forced to neglect. It can do this because it is universal *in form*; any matter can be fitted into it. But it is a mistake to suppose on this account that it necessarily affords a suitable instrument for the investigation of any particular group of phenomena, and that it is sure to be *appropriate*.

\* Page 5.

It has been pointed out above, and I desire to emphasize the statement, that the mathematical treatment is particularly advantageous in some of its applications; but it has also been said that it does not provide a convenient means of expounding economic science to beginners. In a similar way the mathematical treatment is formally applicable, but not practically convenient, in investigating problems in the past, and for this simple reason. *We are not omniscient*, and have not enough knowledge of the facts to be able to use it. We can, generally speaking, only observe externals and argue to motives; but the method of measuring motives is only applicable when we know what the motives of an individual are, or when we can arrange individuals in groups, and say that these men are so far susceptible to similar motives that they may all be treated alike. If we had all this information for any place and time, we could apply the modern theory; but we so very rarely have so much or such accurate knowledge of motives, that we very rarely find it a convenient instrument for investigation. It is so far away from "empirical reality" and "history"—from the world as we can observe it and as it is known to us—that it gives us but little help; though if we had a complete knowledge of the motives of men, and could group men according to their motives, we might undoubtedly use it. The modern theory is inappropriate as an instrument of investigation, not because of any defect in itself, but because we are rarely possessed of such insight as to be able to bring it to bear.

In fact, for practical purposes, the new mode of statement is subject to limitations very much like those of the old hypothetical doctrine. Mill assumed the existence of Free Competition—as most nearly realized on the Stock Exchange. Recent writers proceed to measure the influence of a known motive in a group of men who are susceptible to its influence in similar degrees, and an approximation to such a group is found on the Stock Exchange. Of course we do not really know all the motives of all the members of that institution;

we have no right to say that each one is endowed with sensitive and phlegmatic qualities in similar proportions. But we know enough about them to be able to apply modern theory with great advantage and with little risk of serious error. But we do not know enough about a mediæval town, and the normal sensitiveness of its burgesses to be able to deal with their business transactions in the same fashion.

There is, besides, another difficulty; the new economic theory deals primarily with the individual—the motives that influence him. But in ancient and mediæval times the individual was not a very important organ of economic life: skill was cultivated, forethought was exhibited and enterprise was directed by *groups* and not by individuals. The manor, or the town was an economic unit—it was the sphere where the economic forces were brought into action. The new theory can, of course, be applied here; we might perhaps measure the utility to the town of a large granary or plentiful fuel, or the disutility of subjection to the sheriff and infection from the Black Death—if we wanted to. But when individuals were very imperfectly free to direct their own economic course in life, the play of motive in the individual has a very different significance from that which it has in the present day. Before we can attempt to apply the theory in the past we must ask what is the character of the sphere where the economic forces operate at a given date? Is it an individual or is it a group? Unfortunately we cannot be satisfied with this alternative. At each stage we have to notice how one economic type is gradually giving place to another, and to remember that for certain purposes, the town or the manor is the economic unit, and for others, the individual. When we have knowledge enough to be able to apply the theory to these different units and types, there will be but few phenomena left which we shall need its help to explain.

The modern English theory affords an admirable means of examining phenomena about which we are thoroughly



informed, for testing our explanations, and seeing how far they are exhaustive; but those who recognize this most fully are not guilty of inconsistency when they discard all modern theories *as inappropriate instruments of investigation* for distant times, and for societies unlike our own.

The reiterated criticism of the real or historical school by Professor Marshall and his disciples has served a useful purpose, inasmuch as it has brought out the nature of the confusion into which its authors have fallen. They have written as if something which has mere *formal validity* had also *material truth*. It is no wonder if they seem satisfied that they already know all that historical investigation can teach, and are unwilling to follow the lines on which advance has taken place in other lands. The intellectual habit, which has become the fashion among English economists, puts them out of sympathy with the movement in which Roscher was one of the leaders.

There are good reasons to hope, however, that English political economy will not long maintain its isolation, but will come into line with the work that is being done in the world at large. For one thing, fashion is capricious, the dandy of one generation, if he survived in all his glory, would find he was only a guy in the next. Intellectual fashions are changeful too, and the reaction against the dominant English school has already set in. The most noticeable economic books of the last couple of years make little use of the modern theories and phraseology, unless they attack them. The Duke of Argyll's "Unseen Foundations" is the vigorous protest of shrewd common sense. Mr. Cannan's keen criticism of Ricardo and the classical school reflects incidentally on the methods of their modern representatives. Professor Nicholson's textbook is not merely an admirable polemic, but a useful statement of positive principles. He has tried to set forth limited generalizations which shall be true to actual life as observed and known. He is thoroughly realistic in the statement and proof

of his principles, though the old dogmatic spirit seems to cling to his manner of applying them. Professor Bastable, in his recent address, and in his book on "Public Finance," shows a high appreciation of the work of the realistic school, and a willingness to learn from them. The development of theory, which has attracted so much attention in recent years, will doubtless leave its mark on the science by contributing an element of permanent importance, but the days of its overweening pretensions are passing away. Dr. Jaeger's clothing and tan boots remain as permanent elements of comfort in English civilization, but the rage for them is over; they have found their level at last.

But apart from a change of fashion, practical necessity has also done much to direct attention to realistic economic investigation, and to set about inquiries like those of Le Play. The changes in England have been rapid, and the politician and social reformer wish to take stock of them and to know where we are. The carefully organized inquiries of Mr. Booth and his assistants have resulted in his monumental work on the London poor; while special investigations in regard to the unemployed and the conditions of employment have been conducted by Mr. Llewellyn Smith, Miss Collett and Mr. Schloss. But besides this, England has taken the lead in many matters of labor organization, and of social legislation. It offers a field which foreigners may well frequent, not to pick up our theories, but to study the facts of life and to watch the success and failure of our experiments. The occasional visits of continental and American students, bent on such inquiries, are an unmixed gain. They help to establish cordial intercourse between different centres of economic study, to break down the isolation from which England has so long suffered, and to give free course to the progress of those realistic studies in which Roscher helped to lead the way.

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## REASONABLE RAILWAY RATES.

So many and various are the phases from time to time developed by the multitude of individual contributions to current discussion of what is known as the "Railroad Problem" that there is grave danger of forgetting, at least temporarily, that the only adequate cause for the prevailing widespread dissatisfaction with the methods adopted by those officially in charge of railway properties, and the relations between railway corporations and their patrons, is public discontent resulting from the charges exacted for railway transportation. Much is heard, from those interested as owners or managers of railway properties, in denunciation of what are termed legislative attacks upon those properties, and many harsh names, such as "confiscatory legislation," are, perhaps not always without justification, applied to what are in reality honest, although often mistaken, attempts to secure to the public by legislative action more satisfactory rates. While it is undoubtedly true that many attempts at statutory regulation of railways have been unwise, and therefore productive of evil rather than good, it must be admitted that the popular inspiration of such measures has been consequent upon dissatisfaction with railway charges, and could have arisen from no other cause, because in no other respect do the railways affect so large a portion of the people. Upon the other hand, an important section of the press and many popular leaders are constant and vehement in their attacks upon the so-called evils of over-capitalization, stock-watering, unnecessary construction, improvident and wasteful management, consolidations, agreements to maintain rates or divide traffic, etc., which, even if serious evils in themselves, can only operate injuriously upon a limited number of individuals, unless their effects extend to the charges for transportation.



There can be no doubt that were the public entirely satisfied with the rates charged for the transportation of persons and property by rail, little general interest would be taken in matters of mere railway economy, and their discussion would be relegated to meetings of boards of directors, railway associations, and those technical journals which are devoted to transportation.

It is axiomatic that an accurate diagnosis of the disease to be cured is an essential preliminary to the application of a proper remedy, and whoever would prescribe adequately for the railway malady will do well to bear constantly in mind that, no matter how complicated the symptoms occasionally disclosed, the restoration of public content with railway methods can be accomplished only through measures which affect directly the rates and charges for transportation.

Popular dissatisfaction with railway charges does not arise from the fact that they are universally or even generally excessive. Railway rates in the United States are generally lower than anywhere else in the world, much lower than they were here five, ten, or fifteen years ago, and quite as low as is consistent with the maintenance in an efficient condition of road-bed and equipment, the payment of fair wages, and any even approximately adequate return to the capital invested.

During the six years covered by the reports of the Bureau of Statistics, of the Interstate Commerce Commission, the average rate per ton per mile charged for the transportation of freight declined from 1.001 cents to .878 cent, and that per passenger per mile from 2.349 to 2.108 cents. Inconsiderable as these reductions appear when stated in this form, they represent a saving to the public, upon the traffic carried during the year ending June 30, 1893, of \$115,113,377 on freight, and \$34,292,134 on passenger transportation, a total of \$149,405,511 in one year, an amount exceeding by nearly fifty millions the total of all dividends paid on railway stock, and equal to seventy-three per cent of the entire

customs revenue of the United States Government during that year. It should be remembered that these reductions were effected within a comparatively short period, and one during which sixty per cent of all railway stock capital<sup>1</sup> received no dividends.

An exhaustive study of changes in railway freight rates since 1852 was recently made under the direction of the Committee on Finance of the United States Senate, the results of which, published as a Senate document,\* constitute an exceedingly important contribution to the available information regarding railways. The importance of this investigation, the only one of the kind ever undertaken, led to its being placed in charge of Mr. C. C. McCain, now auditor of the Interstate Commerce Commission, a gentleman of wide experience and thorough knowledge of railway affairs, whose name is sufficient testimony to its accuracy. Mr. McCain briefly summarizes the results of this investigation as follows:

"From all the forms of comparison presented it is clearly demonstrated that there has been a constant downward tendency in freight charges in all sections of the country."

Data contained in this report fairly illustrate the reductions that have taken place during the period investigated. The references in this paper cover an exceedingly small fraction of the matter included and the report itself should be carefully studied by any one desiring to be fully informed concerning the history of railway freight charges in the United States.

In many respects the most satisfactory presentation of the downward tendency in railway freight charges is afforded by a comparison of average rates per ton per mile charged during successive periods. Aside from the manifest advantage of clearness this method may be preferred, because it excludes no portion of the aggregate traffic and presents the

\* "Wholesale Prices and Wages." Report of Finance Committee, United States Senate. Report No. 1394. Second session Fifty-second Congress, Part I, pp. 401-658.

actual net result of all changes whether advances or reductions. A disadvantage, perhaps not quite so apparent, arises from the fact that with the growth of interstate and foreign commerce and the rapid development of our railway system there has been an immense increase of long-distance traffic, which, naturally carried at lower rates per ton per mile than shorter-distance traffic, effects a reduction in the average, although rates may not be absolutely lower for similar service. The error thus caused, cannot, however, be of much importance. That such a comparison will show lower charges at the present than at any former time is generally admitted, but the extent of the reductions may not be so widely understood. The following instances are selected from Mr. McCain's report.\* The average rate charged by the Pennsylvania Railroad for transporting one ton of freight one mile during 1852 was 5.42 cents; in 1862 it was 2.04 cents; in 1872, 1.46 cents; in 1882, .87 cent; in 1892 only .65 cent. In other words during 1892 sixty-five cents would pay for as much transportation of freight over the Pennsylvania Railroad as \$5.42 would thirty years earlier. Similar reductions have occurred on all other lines. In New England, the average charge of the New York, New Haven & Hartford Railroad has declined from 6.23 cents in 1870 to 1.76 cents in 1892. From Buffalo to Chicago one of the principal routes is that via the Lake Shore & Michigan Southern Railway. The average charge of this company during 1854 was 3.51 cents; during 1864, 2.83 cents; during 1874, 1.18 cents; during 1884, .65 cent, and during 1892, .60 cent. The Chicago, Milwaukee & Saint Paul Railway operates a greater mileage than any other company in the same territory. It received an average of 1.06 cents for each ton carried one mile during 1892, being a reduction from 1.28 cents in 1882, 2.49 cents in 1872 and 2.68 cents in 1863. Beginning with an average of 6.14 cents during 1872 that of the Denver & Rio Grande Railroad had declined to 1.86

\* Pp. 615-617.



cents in 1892, while during the same period the Union Pacific Railway had reduced its charges from an average of 2.34 cents to 1.08 cents. When it is added that an increase of one mill per ton per mile in the average charges for the traffic carried during one year would produce additional revenue equal to ninety per cent of all dividends now paid, the importance of these reductions will be appreciated.

No single rate is of greater constant importance than that upon grain via the all-rail lines from Chicago to New York. It is not merely the rate at which grain is carried between the greatest grain market in the world and the principal grain exporting port, but is also the basis of rates from all western points to all of the cities and towns located on or adjacent to the Atlantic seaboard. Any change in this rate, therefore, effects a corresponding change in the rate upon nearly every bushel of grain produced in the United States and not consumed at or near the point of production.

The following statement shows the rate charged for the transportation of grain via all-rail lines from Chicago to New York on the dates named:

RATES IN CENTS PER 100 POUNDS.

YEAR.	JANUARY 15.	APRIL 15.	JULY 15.	OCTOBER 15.
1864 . . . . .	.	75	80	95
1869 . . . . .	75	50	50	50
1874 . . . . .	60	40	45	45
1879 . . . . .	35	20	22	35
1884 . . . . .	30	15	20	25
1889 . . . . .	25	25	20	25*
1894 . . . . .	25	20	20	.

The rates charged for the transportation of both anthracite and bituminous coal have been greatly reduced during the last twenty years. For example, while the average rate per ton of 2000 pounds from collieries in the Clearfield region of Pennsylvania to Jersey City was \$4.05 during 1873, a ton of 2240 pounds was transported between the same points in 1892 at an average rate of \$2.25. Cotton compressed in

\* Corn, 20 cents.

bales was carried from Memphis to New York during 1893 at a constant rate of 50½ cents per 100 pounds, which was a reduction from 74 cents which prevailed during 1881.

Local rates have declined even more than has, in many instances, been the case with competitive rates.\* For example, common starch as late as 1874 was charged 38 cents per 100 pounds from Boston to North Adams, Mass., via the Boston & Albany Railroad. The same transportation is now performed for 15 cents.

Examples of reductions equal in extent to the foregoing, including all sections of the country and every article of commercial importance commonly offered for shipment by rail, might be multiplied almost indefinitely, but sufficient have been adduced to illustrate the constant tendency toward lower charges, which has been such a prominent characteristic of the development of railway transportation in the United States.

Having established the existence of this tendency, the question naturally arises whether it is the result of concessions grudgingly yielded by reluctant carriers who have succeeded in retaining rates sufficiently high to yield extortionate and unreasonable returns upon the capital invested, or has it so fully kept pace with the institution of more provident methods of administration and the economies permitted by increased density of traffic that the larger proportion, if not the entire aggregate of the benefits derived therefrom, has accrued to the shipping and traveling public instead of to the owners of railway stocks and bonds.

It may be confidently asserted that except in extremely rare instances it is practically impossible to maintain, for any considerable period, railway rates which are excessive. The interests of the railways and their patrons unite in the creation of conditions against which it is vain for any railway official to contend for extremely high rates. From the standpoint of the railways, it is evident that excessive rates

\* See Fourth Annual Report of Interstate Commerce Commission, pp. 225-229.

constitute a limitation upon the quantity of traffic, which, if carried far enough, may become prohibitive. The expenses of railway transportation are roughly divided into those arising from operation and fixed charges in the proportion of about sixty-nine per cent and thirty-one per cent respectively. The latter are entirely independent of the volume of traffic, while a large portion of the former are so far unaffected thereby that a considerable increase in traffic would result in a relatively much smaller increase in the expense of operation. It, therefore, necessarily follows that a large traffic at low rates is often more profitable than a smaller traffic at higher rates, a fact which few railway managers have failed to appreciate. Aside from the mere present increase in net revenue possible on account of reductions from high to more equitable rates, it is incontestable that low rates tend to develop the territory contiguous to the line over which they are available, and consequently to promote the final and permanent prosperity of such lines. An enlightened consciousness of these facts has caused the great majority of railway officials having authority to make rates to concede to their patrons the lowest which could be made without increasing operating expenses faster than gross revenue.

Shippers are constantly appealing for lower rates, and the pressure thus brought has been too great for continued successful resistance. The manufacturer or producer sees in a concession of a few cents, or even a fraction of a cent, from current rates an opportunity to put the commodity he ships into more distant markets or to successfully underbid his competitors in those already reached. Commercial conditions and the importunity of rival shippers as well as the provisions of the Interstate Commerce Law, which in this respect is believed to be merely declaratory of the common law, require that if any concession is made it shall be open to all shippers of the same or similar commodities between the same localities in the same direction. Further than this,



the Interstate Commerce Law requires that the carrier making such a concession shall so adjust all its rates that not only intermediate rates upon similar traffic shall not be in excess of those between more distant points, but that the entire body of rates shall be relatively reasonable and just. Thus along the line of one carrier an initial concession to a single shipper requires a multitude of similar concessions to other shippers and at other points. This, however, is not all. Shippers located on other lines, and often at an equal or greater distance in other directions from the common market, find themselves at a disadvantage on account of the reductions already granted, and appeals are at once made for reductions by other lines sufficient to restore the original status. These must be made, or the inevitable penalties of loss of traffic and depleted revenue fall upon the obstinate carrier. Railways are also forced in a large measure to compete for traffic with carriers upon water routes, the Great Lakes, navigable rivers, and canals, as well as among themselves, the combat in the latter case often assuming Titanic proportions, particularly when one or more of the competing railways is by its own bankruptcy relieved from the necessity of earning interest upon its funded debt. Thus the action and interaction of forces, as far beyond legislative restraint as they are beyond the control of a single carrier, unceasingly operate to reduce the charges for railway transportation while the greater economy in operation and management enforced and made possible by lower rates and increased traffic in turn permits further reductions.

Viewed from the standpoint of the investor in railway properties, who may be supposed for the time being merely selfishly interested to secure the largest possible net return upon his capital, it can scarcely be said that the present body of railway rates, considered as a whole, is satisfactory, nor has there ever been a period, except perhaps during the unrestrained competition incident to a war of rates, when it was less so. The interest of the investor in railway

properties in the rates charged is twofold; first, that they shall produce sufficient revenue above necessary operating expenses to yield an adequate return upon the capital represented by the securities he holds, and, second, that they shall permit and encourage the development of the territory contiguous to the railway in order that the future value of its property and franchises may be assured. In order to accomplish the latter result it is obviously necessary that rates should be neither unreasonably high nor unjustly discriminating between persons, localities or classes of traffic.

The following statement, arranged from data contained in the report of the Statistician of the Interstate Commerce Commission, shows an income account for all the railways in the United States, covering the year ending June 30, 1893, and also the same data for each group\* according to the system of territorial distribution of statistics adopted by the Commission.

\* The division of the country into groups for the purpose of localizing railway statistics may be roughly defined as follows:

Group I. This group embraces the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island and Connecticut.

Group II. This group embraces the State of New York, Pennsylvania, New Jersey, Delaware and Maryland, exclusive of that portion of New York and Pennsylvania lying west of a line drawn from Buffalo to Pittsburgh via Salamanca, and inclusive of that portion of West Virginia lying north of a line drawn from Parkersburg east to the boundary of Maryland.

Group III. This group embraces the States of Ohio, Indiana, and the southern peninsula of Michigan; also that portion of the States of New York and Pennsylvania lying west of a line drawn from Buffalo to Pittsburgh via Salamanca.

Group IV. This group embraces the States of Virginia, North Carolina, South Carolina, and that portion of the State of West Virginia lying south of a line drawn east from Parkersburg to the boundary of Maryland.

Group V. This group embraces the States of Kentucky, Tennessee, Mississippi, Alabama, Georgia, Florida, and that portion of Louisiana east of the Mississippi River.

Group VI. This group embraces the States of Illinois, Wisconsin, Iowa, Minnesota, the northern peninsula of the State of Michigan, and that portion of the States of North Dakota and South Dakota and Missouri lying east of the Missouri River.

Group VII. This group embraces the States of Montana, Wyoming, Nebraska, that portion of North Dakota and South Dakota lying west of the Missouri River, and that portion of the State of Colorado lying north of a line drawn east and west through Denver.

Group VIII. This group embraces the States of Kansas, Arkansas, that portion of the State of Missouri lying south of the Missouri River, that portion of the

## INCOME ACCOUNT—YEAR

ITEMS.	Amount for United States.	AMOUNT FOR EACH GROUP.		
		Group I.	Group II.	Group III.
<b>Income:</b>				
From passenger service,				
Passenger revenue . . . . .	\$301,491,816	\$37,448,008	\$75,272,215	\$46,009,778
Mail revenue . . . . .	28,445,053	1,322,471	4,397,458	5,227,043
Express revenue . . . . .	23,631,394	2,186,423	6,454,821	3,712,666
Other revenue . . . . .	6,455,778	796,853	1,066,905	727,180
Total . . . . .	\$360,024,041	\$41,753,755	\$87,191,399	\$55,676,667
From Freight service:				
Freight revenue . . . . .	829,053,861	43,298,341	218,226,711	127,572,498
Other revenue . . . . .	3,848,344	943,540	1,022,982	731,945
Total . . . . .	\$832,902,205	\$44,241,881	\$219,249,693	\$128,304,443
Other earnings from operation	27,732,053	899,842	6,528,628	3,391,359
Unclassified . . . . .	93,575			
Total from operation . .	\$1,220,751,874	\$86,895,478	\$312,969,720	\$187,372,469
Other sources . . . . .	149,649,615	8,257,763	52,599,120	18,628,164
Total income . . . . .	\$1,370,401,489	\$95,153,241	\$365,568,840	\$206,000,633
<b>Expenditures:</b>				
Operating expenses . . . . .	\$827,921,299	\$60,801,378	\$206,137,395	\$134,607,313
Fixed charges:				
Interest on funded debt* . .	250,176,887	8,001,716	57,049,362	30,030,059
Interest on current liabilities	7,989,508	728,312	2,059,586	703,035
Rents . . . . .	107,222,921	7,356,324	40,112,619	15,618,415
Taxes . . . . .	36,514,689	3,651,450	8,176,864	5,126,092
Miscellaneous . . . . .	29,518,151	246,663	6,957,346	2,850,703
Total . . . . .	\$431,422,156	\$19,984,465	\$114,355,777	\$54,328,304
Dividends:				
On common stock . . . . .	83,661,738	11,972,292	35,397,714	10,637,207
On preferred stock . . . . .	17,268,147	1,394,018	1,135,191	5,102,072
Total . . . . .	\$100,929,885	\$13,366,310	\$36,532,905	\$15,739,279
Other payments from net income . . . . .	2,011,404	105,426	111,056	693,938
Total expenditures . . .	1,362,284,744	94,257,579	357,137,133	205,368,834
Surplus . . . . .	8,116,745	895,662	8,431,707	631,799
Deficit . . . . .				
Total . . . . .	\$1,370,401,489	\$95,153,241	\$365,568,840	\$206,000,633

State of Colorado lying south of a line drawn east and west through Denver, and the Territories of Oklahoma, Indian Territory, and the portion of New Mexico lying northeast of Santa Fé.

Group IX. This group embraces the State of Louisiana, exclusive of the portion lying east of the Mississippi River, the State of Texas, exclusive of that portion lying west of Oklahoma, and the portion of New Mexico lying southeast of Santa Fé.

Group X. This group embraces the States of California, Nevada, Oregon, Idaho, Washington, and the Territories of Utah, Arizona, and that portion of the Territory of New Mexico lying southwest of Santa Fé.

\*Accrued.



ENDING JUNE 30, 1893.

AMOUNT FOR EACH GROUP.

Group IV.	Group V.	Group VI.	Group VII.	Group VIII.	Group IX.	Group X.
\$10,613,721 1,530,176 742,632 92,960	\$18,588,706 2,449,301 1,545,866 278,382	\$55,484,516 6,046,633 3,914,292 1,868,940	\$9,621,552 1,852,276 840,818 270,212	\$20,763,162 2,803,612 2,383,041 379,514	\$8,366,946 974,493 767,528 164,870	\$19,323,212 1,841,590 1,083,307 809,962
\$12,979,489	\$22,862,255	\$67,314,381	\$12,584,858	\$26,329,329	\$10,273,837	\$23,058,071
29,604,481 105,896	56,149,703 67,607	171,306,741 660,576	33,910,385 4,601	76,719,992 67,846	31,035,402 128,791	41,229,607 114,560
\$29,710,377 1,131,500 21,974	\$56,217,310 2,457,513 7,570	\$171,967,317 6,618,551 64,031	\$33,914,986 897,629	\$76,787,838 3,891,976	\$31,164,193 557,619	\$41,344,167 1,357,436
\$43,843,340 3,770,125	\$81,544,648 8,606,602	\$245,964,280 20,698,852	\$47,397,473 5,407,990	\$107,009,143 6,928,402	\$41,995,649 5,100,658	\$65,759,674 19,651,939
\$47,613,465	\$90,151,250	\$266,663,132	\$52,805,463	\$113,937,545	\$47,096,307	\$85,411,613
\$30,425,792	\$58,321,252	\$159,106,507	\$30,609,057	\$73,395,124	\$31,786,526	\$42,730,955
11,518,435 870,206 3,280,851 1,159,988 937,211	21,002,677 750,230 5,838,902 2,418,835 1,167,706	49,871,967 641,127 11,547,721 8,213,716 4,261,933	14,084,801 150,114 1,758,889 1,144,467 4,607,087	27,902,351 745,948 2,133,541 3,642,644 2,245,152	11,389,970 277,069 3,555,805 1,009,678 682,895	19,325,549 1,063,881 16,019,854 1,970,955 5,562,355
\$17,766,691	\$31,178,350	\$74,535,564	\$21,745,358	\$36,669,636	\$16,915,417	\$43,942,594
1,245,786 485,242	4,285,314 99,107	13,153,738 7,676,932	2,770,819 147,273	1,206,585 918,896	5,899	2,986,384 312,416
\$1,731,028	\$4,381,421	\$20,830,670	\$2,918,092	\$2,125,481	\$5,899	\$3,298,800
139,459		445,617				515,908
50,062,970 2,449,595	93,881,023 3,729,773	254,918,358 11,744,774	55,272,507 2,467,044	112,190,241 1,747,304	48,707,842 1,611,535	90,488,257 5,076,644
\$47,613,465	\$90,151,250	\$266,663,132	\$52,805,463	\$113,937,545	\$47,096,307	\$85,411,613

The foregoing statement casts a vivid light upon the revenue-producing power of the present body of railway rates as well as upon the familiar charge that railway earnings are grossly excessive and extortionate. It shows that sixty per cent of the aggregate revenue is required to pay the cost of operation, which includes wages of employes, repairs of road-bed and equipment, etc.; three per cent is

paid to the various State and municipal governments for taxes, eight per cent for rents, two per cent for miscellaneous purposes, which includes expenses of associations, etc., making a total of seventy-three per cent of the aggregate revenue that is absolutely required for expenses which must precede the right of the bondholder to require payment of interest or of the stockholder to demand dividends. The remaining twenty-seven per cent is distributed among those who furnish capital, or retained by the corporation in the form of permanent improvements, or surplus to provide against future contingencies. The proportions devoted to each of these purposes is shown below for the year ending June 30, 1893 :

PAYMENTS TO OR FOR THE BENEFIT OF RAILWAY CAPITAL.

ITEMS.	Amount.	Per cent of gross revenue.	Per cent of total return to capital.
Interest on funded debt . . . . .	\$250,176,887	18.26	67.76
Interest on current liabilities . . . . .	7,989,508	0.58	2.16
Dividends on common stock . . . . .	83,661,738	6.10	22.66
Dividends on preferred stock . . . . .	17,268,147	1.26	4.68
Other payments from net income, . . . . .	2,011,404	0.15	0.54
Surplus . . . . .	8,116,745	0.59	2.20
Total . . . . .	\$369,224,429	26.94	100.00

Probably the wildest advocate of anti-railroad legislation would not describe as unnecessary any of the expenditures shown except those included in the slightly more than one-quarter of the aggregate which accrues in one form or another to the benefit of invested capital, and it is therefore only necessary to assert, what will not be denied, that the items which constitute the first seventy-three per cent of the total are legitimate and unavoidable expenses that must be provided for out of the revenues produced by the charges exacted for transportation. Neither will it be seriously contended that the capital invested in railways is entitled to no

return, but all will agree that the schedules of rates should be so arranged as to provide not only for revenue to meet necessary expenses of operation, but also a fair return upon the just value of the property. Let us now examine the amounts expended for dividends and interest in order to discover, if possible, whether the investor now receives an inordinate return upon his capital.

The table on pages 32 and 33 shows the amount of railway capital of each class in the United States, and in each group, on June 30, 1893, and the payments thereon during the year ending on that date :

From this table it appears that the average highest and lowest percentage of return to each of the different classes of capital were as follows:

NATURE OF CAPITAL.	AVERAGE.	HIGHEST.		LOWEST.	
	Per cent.	Per cent.	Group.	Per cent.	Group.
Stock, common, .	2.10	5.83	I	0.00	IX
Stock, preferred,	2.51	4.49	VI	—*	IX
Funded debt . .	4.79	5.67	VII	4.01	IX
Other debt . . .	1.31	2.66	IV	0.61	VII
Total . . . .	3.42	5.12	I	2.12	IX

It should also be observed that the amounts shown under the head of interest upon funded debt are considerably larger than those actually paid, for the reason that the Interstate Commerce Commission has seen fit to base its statements upon the amounts of interest accruing during each year instead of upon that actually paid, and as there was probably a default upon some portion of the interest due in each group, the actual amounts paid and the average rates must have been much lower than those shown.

The table on pages 34 and 35 shows a classification of stock and funded debt, exclusive of equipment trust obligations, based upon the rate of dividend or interest paid, during the year ending June 30, 1893.

\* No dividends on preferred stock.



## RAILWAY CAPITAL, DIVI-

Territory Covered.	Total Capitalization.			Classified		
	Amount.	Dividends and Interest.	Rate per cent	Stock.—Common.		
				Amount.	Dividends.	Rate per cent
Group I . .	\$431,721,329	\$22,096,338	5.12	\$205,374,148	\$11,972,292	5.83
" II . .	2,274,461,059	95,641,853	4.21	934,657,305	35,397,714	3.79
" III . .	1,429,568,568	40,472,373	3.25	465,759,333	10,637,207	2.28
" IV . .	488,640,908	14,119,660	2.89	158,133,016	1,245,786	0.79
" V . .	806,914,768	26,134,328	3.24	277,273,942	4,285,314	1.55
" VI . .	1,919,806,507	71,343,764	3.72	625,932,471	13,153,738	2.10
" VII . .	441,231,104	17,153,007	3.89	154,829,701	2,770,819	1.79
" VIII . .	1,171,110,558	30,773,780	2.63	432,070,490	1,206,585	0.28
" IX . .	549,794,975	11,672,938	2.12	226,841,437	5,899	0.00
" X . .	992,985,634	23,688,230	2.39	501,137,759	2,986,384	0.60
United States	\$10,506,235,410	\$359,096,280	3.42	\$3,982,009,602	\$83,661,738	2.10

From this table it is seen that 61.24 per cent of all railway stock and 14.39 per cent of the bonds representing funded debt paid neither dividends nor interest; that in one group 99.99 per cent of stock and 31.66 per cent of funded debt received no return; and that in the group where the business of transportation appears to have been conducted under the most favorable conditions, nearly one-quarter of the total stock was similarly portionless. Unless it can be shown that the present capitalization of the railway system of the United States is grossly excessive, these data are sufficient evidence that the return thereto is no more than is fair and reasonable, if, indeed, it is not far below what is just and proper.

While the problem of the relation between the par value of railway capitalization and the just value of railway property is one of extreme difficulty and probably does not admit of detailed solution, the difficulties surrounding it are greatly enhanced and its conditions much obscured by the frequent confusion of *just value* with the amount of actual investment or original cost. Although it is certainly true that the

DENDS AND INTEREST.

According to Nature of Capital.

Stock.—Preferred.			Funded Debt.			Other Debt.		
Amount.	Divi- dends.	Rate per cent	Amount.	Interest.*	Rate per cent.	Amount.	Interest	Rate per cent
\$41,862,402	\$1,394,018	3.33	\$155,320,649	\$8,001,716	5.15	\$29,164,130	\$728,312	2.50
72,133,182	1,135,191	1.57	1,099,367,175	57,049,362	5.19	168,303,397	2,059,586	1.22
167,233,708	5,102,072	3.05	715,829,137	30,030,059	4.20	80,746,390	703,035	0.87
52,420,485	485,242	0.93	245,323,118	11,518,435	4.70	32,764,289	870,206	2.66
52,450,295	96,107	0.18	429,349,204	21,002,677	4.89	47,841,327	750,230	1.57
170,841,190	7,676,932	4.49	1,032,005,565	49,871,967	4.83	91,027,281	641,127	0.70
13,222,581	147,273	1.11	248,551,553	14,084,8c1	5.67	24,627,269	150,114	0.61
74,446,857	918,896	1.23	604,411,015	27,902,351	4.62	60,182,196	745,948	1.24
7,645,832	...	...	284,329,455	11,389,970	4.01	30,978,251	277,069	0.89
34,669,284	312,416	0.90	411,202,950	19,325,549	4.70	45,975,641	1,063,881	2.31
\$686,925,816	\$17,268,147	2.51	\$5,225,689,821	250,176,887	4.79	\$611,610,171	7,989,508	1.31

public has no right to demand transportation at rates too low to afford a fair return upon the just value of railway property, there is no equitable basis for the contention that the railways are entitled to interest and dividends upon the original cost of their properties, no matter how much such cost may have been enhanced by profligate expenditure or corrupt misappropriation of funds, nor how much changed conditions may have caused subsequent depreciation of the property. It may, indeed, be true that the public interest will be well served when the circumstances and conditions of railway transportation shall have become so adjusted that the security of money invested in such property is absolute, but no such condition has been, as yet, attained, and until it is those who choose to adventure their capital in the construction of railways must do so with full acceptance of the risks and hazards involved. In estimating what constitutes a fair return upon their investment, allowance should, of course, be made for the possibility of total or partial loss of the principal; that such a loss is among the possibilities is the misfortune of the investor; that it must be compensated

\* Accrued.

## CLASSIFICATION OF CAPITAL ACCORDING TO RATE OF DIVIDEND AND INTEREST.

STOCK.												
Territory Covered.		Amount.	Percentage paying each rate.									
			Nothing paid.	1 to 2 p. c.	2 to 3 p. c.	3 to 4 p. c.	4 to 5 p. c.	5 to 6 p. c.	6 to 7 p. c.	7 to 8 p. c.	8 to 9 p. c.	9 to 10 p. c.
Group I . . . . .		\$247,236,550	21.97	1.19	3.18	0.34	8.34	3.14	11.05	20.18	1.37	18.19
" II . . . . .		1,006,790,487	45.45	0.79	0.60	0.17	0.76	32.11	2.80	9.14	0.96	3.68
" III . . . . .		632,993,041	52.66	1.62	0.53	7.04	9.23	8.14	9.97	7.50	0.10	1.63
" IV . . . . .		210,553,501	67.40	20.79	1.70	. . .	1.42	4.18	2.84	1.50	. . .	. . .
" V . . . . .		329,724,237	69.44	0.12	1.93	2.27	17.44	5.47	1.58	0.02	. . .	1.27
" VI . . . . .		796,773,661	52.77	4.34	0.71	1.00	8.81	9.75	9.76	9.51	. . .	0.52
" VII . . . . .		168,052,282	66.50	. . .	. . .	. . .	. . .	27.65	4.44	1.41	. . .	. . .
" VIII . . . . .		506,517,347	87.72	. . .	4.67	0.59	5.38	0.54	1.06	0.04	. . .	. . .
" IX . . . . .		234,487,269	99.99	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	0.01
" X . . . . .		535,807,043	80.70	. . .	13.49	. . .	0.09	1.17	4.48	. . .	. . .	0.07
United States . . . . .		\$4,668,935,418	61.24	2.14	2.76	1.41	5.25	11.62	5.24	5.32	0.29	2.16



CLASSIFICATION OF CAPITAL, ETC.—Continued.

Territory Covered.	FUNDED DEBT.*											
	Amount.	Percentage paying each rate.										
		Nothing paid.	1 to 2 P. C.	2 to 3 P. C.	3 to 4 P. C.	4 to 5 P. C.	5 to 6 P. C.	6 to 7 P. C.	7 to 8 P. C.	8 to 9 P. C.	9 to 10 P. C.	10 p. c. and over.
Group I . . . . .	\$155,320,649	1.84	2.94	0.20	7.38	20.10	27.30	26.43	13.25	. . .	0.01	0.55
" II . . . . .	1,078,235,044	19.73	1.68	0.32	3.94	22.76	22.42	15.58	13.26	. . .	0.28	0.01
" III . . . . .	700,328,156	16.02	8.84	3.40	10.51	22.86	15.19	9.57	13.39	0.21	. . .	0.01
" IV . . . . .	239,543,996	20.10	0.35	4.56	2.17	44.51	15.09	9.06	2.99	1.13	0.04	. . .
" V . . . . .	424,330,568	21.06	3.04	9.61	11.32	9.61	27.50	12.13	5.58	0.10	. . .	0.05
" VI . . . . .	1,027,077,585	8.12	3.13	7.33	9.68	18.80	29.73	13.49	8.34	0.55	0.19	0.64
" VII . . . . .	246,726,827	1.78	1.95	2.78	12.32	21.72	38.76	11.56	. . .	. . .	. . .	9.13
" VIII . . . . .	598,893,224	9.28	0.09	6.12	33.14	17.85	17.99	6.65	6.29	0.06	. . .	2.53
" IX . . . . .	282,517,347	31.66	1.61	12.02	14.59	18.32	8.80	10.87	1.79	0.01	. . .	0.33
" X . . . . .	410,017,143	10.96	. . .	0.95	14.64	19.19	26.87	24.49	2.44	. . .	0.37	0.09
United States . . . . .	\$5,162,990,539	14.39	2.72	4.57	11.82	20.69	22.99	13.31	8.26	0.21	0.13	0.91

\* Exclusive of equipment trust obligations.

by higher rates of dividend and interest,\* although a necessary and equitable result is unfortunate for the public; the best interests of both unite in demanding its ultimate elimination so far as practicable.

The total capitalization of the railways of this country on June 30, 1893, as given by the Interstate Commerce Commission was \$10,506,235,410. This includes, however, \$611,610,171 of floating debt, which for the purposes of the present discussion should be deducted, leaving the actual stock and funded debt at \$9,894,625,239. This amount includes considerable duplication of apparent capital, arising from the fact that railway corporations are themselves large owners of railway stock and bonds. The amounts thus held are given by the Commission as: stocks, \$1,135,784,339; bonds, \$427,237,894; total, \$1,563,022,233, leaving outstanding \$8,331,603,006 in stocks and funded debt. It should be understood that the existence of this duplication of railway capital does not in any way affect the accuracy of the statements showing income account and returns upon capital, as there are corresponding duplications in each of those statements.

The following statement shows the total capitalization of the railways in each group and the total for the United States, the amount of other or unfunded debt, the total stock and funded debt, the amounts of stocks and bonds owned by railway corporations, and the net capitalization privately owned, as given by the Statistician of the Interstate Commerce Commission for the year ending June 30, 1893.

The amounts shown in the last column of the following statement constitute the actual capitalization upon which it is contended that the business of transportation should afford a fair return. That these figures furnish a reasonably accurate measure of the true value of railway property can, it is believed, be sufficiently established, and that, too, whether it is decided that just value depends upon the cost at which present facilities could be duplicated, upon the

CAPITALIZATION.

Territory Covered.	Total Capitalization.	Other Debt.	Stock and Funded Debt.	Owned by Railways.		Net Capital not Owned by Railways.
				Stock.	Bonds.	
Group I . . . . .	\$431,721,329	\$29,164,130	\$402,557,109	\$16,148,046	\$4,990,237	\$381,418,016
" II . . . . .	2,274,461,959	168,303,397	2,106,157,662	326,498,803	91,215,375	1,688,443,484
" III . . . . .	1,429,568,568	80,746,390	1,348,822,178	117,744,984	21,675,886	1,209,401,308
" IV . . . . .	488,640,908	32,764,289	455,876,619	10,322,956	13,223,109	432,330,554
" V . . . . .	806,914,768	47,841,327	759,073,441	33,190,774	26,023,571	699,859,096
" VI . . . . .	1,919,806,597	47,027,281	1,828,779,226	180,371,574	125,759,003	1,522,648,649
" VII . . . . .	441,231,104	24,627,269	416,603,835	67,495,440	36,682,151	312,456,244
" VIII . . . . .	1,171,110,558	60,182,196	1,110,928,362	188,664,330	83,256,905	839,007,127
" IX . . . . .	549,794,975	30,978,251	518,816,724	46,104,670	5,033,086	467,677,774
" X . . . . .	992,985,634	45,975,641	947,009,993	149,271,562	19,377,677	778,360,754
United States . . . . .	\$10,506,235,410	\$511,610,171	\$9,894,625,239	\$1,135,784,339	\$427,237,894	\$8,331,603,006



present and prospective earning capacity, or upon the price at which the properties could be purchased from their present owners. If value depends, as is frequently declared, upon cost of duplication, it should be remembered that although in certain sections roads have been constructed at extremely low cost, in other sections another extreme has been reached. Thus in New York City it is said to have cost \$4,000,000 to construct four miles of line and \$2,000,000 additional to build a station. In other localities there are long sections of road where grading alone has cost more than \$300,000 per mile, while bridges like that across the Mississippi River at St. Louis costing \$14,000,000 per mile, and tunnels like the Hoosac at \$3,000,000 per mile are as essential portions of the railway system as the single track laid on a level prairie, through a semi-wilderness at a first cost of \$15,000 per mile. There is certainly no reason for believing that much reduction in the cost of works such as those referred to could be made at the present time. Another item which would undoubtedly enhance the average cost per mile of duplicating our present railway facilities, would be the discounts necessary upon securities in order to secure capital for construction. This is merely a means by which capital is remunerated for the extra hazardous nature of the enterprise and a return sufficiently large to compensate for the risk encountered secured if the alternative of profitable operation is achieved. It is for this reason that stock has been frequently given as a bonus to purchasers of bonds, and where the practice is limited by the necessities of the case it must be admitted that it is perfectly legitimate. In this view the original cost of railways, while not conclusive, throws considerable light upon their present real value. Much has been written in the effort to prove that present capitalization is largely in excess of the amounts actually expended for construction and equipment, a result which, it is alleged, has been attained through fraudulent issues of bonds and stocks, paying excessively for construction or for

acquired properties, selling bonds and stocks at a discount, and finally by declaring dividends payable in stock, all these practices being included in the general denomination "stock watering." Different writers have variously estimated the amounts of "water" in the present capitalization, some placing it as high as three-fourths of the aggregate, while others have urged that the aggregate thus improperly created is entirely offset by that eliminated by foreclosures and reorganizations. Instances of substantial reductions in capitalization resulting from these causes are numerous enough to create considerable confidence in the possibility that they may entirely balance the "water." The Cincinnati, Washington & Baltimore Railroad was reorganized after foreclosure proceedings, and became the Baltimore & Ohio Southwestern Railroad on December 20, 1889. The stock and funded debt of the new company on June 30, 1890, amounted to \$35,628,116, while those of the old company, one year before, had amounted to \$41,145,777. The reorganization of the Vicksburg & Meridian Railroad, which became the Alabama & Vicksburg Railway on May 1, 1889, resulted in a reduction of the total issue of stock and funded debt from \$9,919,713 to \$2,816,525. A reduction from \$3,795,000 to \$2,160,000 was also effected by the reorganization on June 24, 1891, of the Ohio & Northwestern Railroad, now known as the Cincinnati, Portsmouth & Virginia Railroad, and many similar instances could be cited. It may be that reductions like the foregoing are not the inevitable and uniform result of reorganization and foreclosure, but that they occur in a large number of instances will not be controverted. The number of foreclosures is sufficiently large to indicate the elimination of a vast amount of capital by this cause. During a period of eighteen years, from the beginning of 1876 to the close of 1893, 551 railway corporations, operating 57,283 miles of road, with stocks and bonds amounting to \$3,209,126,000 were sold under foreclosure. This tremendous insolvency with its resultant sales under

the hammer of the auctioneer may easily have resulted in wiping out an amount of stocks and bonds little, if any, less than that created by stock-watering.

Railway rates then have steadily declined for a considerable period, and they do not produce an exorbitant return upon present capitalization, which is an approximately accurate measure of the just value of the railway system. The definite conclusion is therefore reached that the aggregate railway revenue is at the present time just and proper, and that under current conditions any schedule of rates covering the entire country and all classes of traffic which would not produce a revenue equal in the aggregate to that now received would be unreasonable and unjust to the owners of railway property.

But if it is conceded that railway rates as a whole are not excessive, it does not necessarily follow that those fair and equitable conditions exist which should result in perfect satisfaction upon the part of the public. It is quite as important, from the standpoint of those who purchase transportation, that the adjustment of rates shall be made without unjust discrimination against persons, places or classes of traffic as that the charges shall not be excessive. Even a low rate is of no benefit to a manufacturer if some competitor, producing at approximately equal cost, can obtain one a few cents lower, and thus dispose of goods at a profit at prices which would result in loss to one paying the higher rate. A locality seeking to become a manufacturing or distributing centre can make little headway, though granted low rates, if a competing trade centre is afforded even slight advantage in rates to common markets. Unfortunately, alike for the railways and their patrons, the methods of management arising from competitive strife for traffic have throughout the entire period of railway transportation continuously resulted in unjust discriminations of each of these classes, and it is because of the manifest injustice of methods which result in the advantage of one locality, individual or kind of traffic



at the expense of another having equal natural opportunities that the public has become so generally dissatisfied with railway rates and has sought by sometimes harsh and unwise legislation to eradicate the grosser and more apparent evils.

In solving this problem of the relative adjustment of rates between different localities and classes of traffic so that each shall contribute in exact proportion its just share of the sum necessary to carry on the business of transportation lies the true solution of the real railway problem.

In determining what aggregate revenue is reasonable and just, the cost of the transportation service as a whole, which includes wages, maintenance of facilities, and return to capital, is properly the basis of the calculation, but if we seek to make further use of this method and distribute the charges for transportation among the different articles of commerce and the various points of origin and destination according to the cost of each particular service, we are at once involved in inextricable confusion. Specific rates for particular service can never be determined by the preliminary discovery of the cost of that service, because no such distribution of the items of expenditure incident to the business of transportation in fact exists. The vast majority of these items are joint expenses, attributable not to any portion of traffic, but to all, and would continue if the carriage of any particular traffic were entirely discontinued. That this is true of fixed charges is generally recognized, but that the same principle applies with almost unabated force to operating expenses has almost entirely escaped attention. Take, for example, the simplest division possible,—that between passenger and freight traffic,—who can formulate a rule for ascertaining what proportions of the total expenses of maintaining track and roadbed should be charged to each? Nor is this all; the best authorities state that from forty to sixty per cent of operating expenses cannot be classified as arising directly from either branch of the service; and so apparent is the insurmountable nature of the difficulties attending what is

unquestionably the simplest distribution possible as well as the danger of serious and material error, if an estimate is attempted that the Interstate Commerce Commission has, after several years of discussion, decided to eliminate this feature from the annual reports required from carriers. Should more minute classification be attempted, still greater obstacles appear. If freight traffic alone is considered, it is perceived that it consists of two principal classes, through and local, each of which admits of extended subdivision, but to neither of these classes nor sub-classes can be assigned a definite portion of operating expenses. Through traffic is carried between important termini in swiftly moving trains which seldom stop except to avoid interference with passenger traffic, while local traffic is carried in slower trains making more frequent stops, yet for each of these classes it is necessary that the roadbed shall be in perfect condition, bridges in repair, switches guarded, and signals operated, and the entire discontinuance of either traffic would not very considerably diminish the necessary outlay for any of these purposes. The same obstacles to success attend every effort to distribute the cost of service down to the last detail, when we find a single car loaded with package freight of different kinds carried between different stations, all of which must contribute proportionally to the expenses of operation, beginning with the cost of handling each particular package, and including the wear upon the car itself, the wages of trainmen and track hands, maintenance of road, etc. In passenger traffic, too, if the entire cost of the traffic were determined, what mathematician would undertake the problem of deciding what proportion of expenses arose on account of the lightning express and what from the local accommodation?

Transportation in this respect is similar to the industry of mining, where silver and lead, each in sufficient quantities to be of commercial value are found together. Here it is clear that if either silver or lead were to cease to be commercially valuable, the entire expense of mining would have

to fall upon the other, and its price would be correspondingly enhanced. Also, any diminution in the demand for one or the other commodity, resulting in a lower price, would increase the price of the other, or, if higher prices could not be obtained, the business of mining would ultimately be discontinued. The prices that must be obtained for silver and lead, respectively, in order that the business of mining shall afford a reasonable profit are mutually regulative. Similarly, the revenues which must be obtained from different classes of railway traffic are interdependent, and it cannot justly be predicated of rates upon any one class or commodity or between any particular points that they are excessive or unreasonable without reference to rates upon other articles and between other points. This would be perfectly evident were it not for the multitude of items which constitute the total traffic of an ordinary railway. If a railway be conceived operating between two points only and carrying only one commodity at rates absolutely fair and reasonable, and it is supposed that a second commodity is offered for transportation, it is evident that unless the extra cost incident to the new traffic bears the same relation to the revenue derived from it that the former cost of operation bore to the former revenue, there must be either a reduction in rates upon the former commodity or a considerable increase in the profits of transportation, and, as the former return to capital was reasonable and a higher one would be excessive, the public would have a clear right to demand lower charges. So, also, the discontinuance of either traffic would involve a resultant right to higher charges for the transportation of that which remained.

Railways are entitled to a certain, easily ascertained amount of revenue which should be produced by charges for transportation, distributed among the different localities and classes of traffic with absolute fairness and impartiality, according to principles akin to those which should regulate the exercise of the taxing power. Each individual,



commodity and locality should be treated with equality, and should not be subjected to any disadvantage or prejudice, except those naturally arising from location or character of traffic. Reasonable and proper discriminations, based upon the value of the service performed, are essential and should continue, but unjust discriminations founded upon favoritism and prejudice should disappear. Charges between all points and upon all articles should be fixed at the point where, observing the reasonable limitation of total revenue, each particular rate will produce the greatest possible revenue above the absolute expense of handling. Constant endeavor to create new traffic should be made, and none should be refused which can afford to pay rates producing the smallest revenue above the cost of handling, with a reasonable allowance for the estimated depreciation of permanent way and equipment directly attributable to that traffic. Such a rule would make the carrier's revenue the sole criterion of its charges, subject to the single limitation that rates must be open to all. It would be speedily discovered that traffic is divided into two classes, according to whether its volume is limited by the rate charged. Upon many articles it would be found that lower rates produce increasing revenue, and upon such articles reductions to the point of highest net revenue would at once follow. Upon other articles, not thus affected in their movement by the rates charged, a final reduction would ensue, consequent upon the greater contribution of articles of the former class to the items of joint expense.

The ultimate result of the enlightened and consistent execution by a large number of important railways, or, better still, by a consolidated railway exclusively operating in a large territory, of a policy similar to that outlined, would certainly be rates much lower than the legislative maximums now regarded as amounting to the practical confiscation of railway properties.

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H. T. NEWCOMB.

## THE ECONOMIC FUNCTION OF WOMAN.

Social reformers have usually found in the political economist an enemy or at best a very conservative ally. The social reformer has often come from the ranks of the politicians and statesmen; still more often has he appeared as a moral or religious prophet; but seldom have the rôles of reformer and economist been united in one person. In answer to the searching question, shall men be reformed or shall they be fed, the economist has held consistently to the position that they must at any rate be fed. The social reformer has wavered between two opinions, admitting the contention of the economist, but forgetting it straightway when his activity begins.

The social reformer would simplify and eliminate, until but some one thing needful remains as an immediate and final step in attaining social salvation. The economist insists upon the inherent difficulty and complexity of social progress declaring that any step forward must be based on material prosperity and that material prosperity must be based on efficient wealth production and economical wealth consumption.

Though there has been this rift between the leaders of social reform movements and the movements of economic theory it is not to be inferred that there has been no definite relation between the development of economic science and the changing social and industrial conditions of men. Economic theory has contained within itself the germ of evolutionary growth. If in looking back upon its history we ignore social changes we shall be tempted to describe the development of the science as a mere series of errors and refutations of error; for it has been continually engaged in discarding outgrown theories. This is not, however, a distinguishing characteristic of economics. An Oxford lecturer on geography

remarks that the history of the science of geography is particularly interesting because it exhibits a surprising number of gross errors, accepted as truths in one generation and refuted by the discoveries of succeeding generations. Political economy simply shares this characteristic with geography and with other physical sciences which boast as many and as serious errors as either. There is one difference which should be noted. The modifications in geography have been made not because the geographical configurations have actually changed, not because parallels and meridians could have been at any time more conveniently located than they now are, but because knowledge has increased with the centuries and new facts about existing objects have been discovered, while in economics the changes have been in a much less measure due to the discovery of hitherto undiscovered relations, to a clearer sight and a more accurate judgment. They have been made in large part because the data of the science have themselves changed. Economics has to do with relations between changing and progressive beings and those relations cannot be constant. Each great system of economics, the Mercantilist, the Physiocratic and the Malthusian, no less than the Ricardian, has arisen to explain industrial conditions which actually existed, and each has embodied or prophesied either temporary remedies or a far-reaching reform. Social reformers have sometimes recognized this bridge between the present and the future; in other words, they have recognized the economic basis of their proposed reforms. The result of such recognition may be to dampen excessive zeal, but it will often increase real efficiency. When a reformer realizes that the slow-moving but potent economic forces are working in the direction of his cherished reform, he may well become more patient, but he may also become more calmly confident, and his ardor may even become greater.

If it were not for the economic element in the single tax movement, in the movement for the organization of labor,



in the movement for the nationalization or the municipalization of industries, and in the temperance movement, there would be little in any of them to explain their vitality. "Progress and Poverty" startled and held the attention of thinking people, because it boldly rested its case on one universally recognized industrial fact and one almost universally accepted economic theory. The persistence of poverty in the midst of progress, deepest and most abject at the very spot where the accumulation of wealth is greatest, is the obvious fact. The theory that, of the various shares in distribution, land rent alone is an income secured without any corresponding service, that it absorbs all the advantages which accrue from superior soils and from superior location—the economic theory of rent—forms the second pillar of the single tax doctrines. The statement of this fact and this theory, interwoven with wonderful skill, and yet wonderful simplicity, constitutes the substance of the single tax literature—a literature which has perhaps done more than any other literature of the generation to give for the general reading public a meaning to economic theory and an interpretation to industrial facts.

The movement for the better organization of labor to protect its interests finds also its economic basis. This is recognized by economists as early as Adam Smith and as recent as General Walker. The former very distinctly warned laborers that masters were in a universal, though tacit, combination not to allow wages to mount any higher and whenever possible to bring them lower. The movement for the organization of labor—organization in order that action might be always more intelligent and more conservative because better considered; organization in order that action might be more effective because united; organization for educational as well as for directly practical ends—finds swift acceleration in the same conditions that decree a profit from the combination of employers and the consolidation of their funds.

Nationalism, too, socialism, collectivism, or whatever be the best term to designate the increase of united industrial action through the means of political machinery, has little difficulty in justifying its attacks on many features of the existing industrial system, on the ground that they have become from an economic standpoint unsound and wasteful. We are witnessing a most interesting movement in this persistent extension of municipal and State activity to one field after another, in the interests not of a ruling family or of a class, but really in the interests of the State, of the people.

We should be willing to see it go on until the people, after experiment, have deliberately and intelligently decided in regard to every separate branch of industry whether it shall be managed on collectivistic or individualistic principles. If the science of economics pronounces no dictum in favor of socialism, neither does it pronounce against it. Public or private management is a question which in the future must be decided not once for all, on rigid lines, but for each branch of industry upon its individual merits. That which secures the most efficient production and the most economical consumption is economically best.

The economic basis of the temperance agitation is comprehensibly discussed in a paper submitted to the Academy in 1891.\* It is shown that the climatic and social conditions of America tend to make more acute the distinction between the drinking and the non-drinking classes. When from the consumption of the lighter beverages the former pleasure is no longer obtainable the one class resorts to stronger drinks, the other to new varieties of food. The economic tendencies favor that class which makes the best use of the natural resources and is thus able to make the higher bids for land and for labor. Thus in the economic conflict between the drinking and the abstaining classes the latter have an advantage of which they may not always be conscious, but which

\*"Economic Basis of Prohibition. ANNALS, Vol. II, p. 59. July, 1891.

is nevertheless the most powerful factor in the whole temperance reform.

Is there anything corresponding to this in the movement for the improvement of the industrial position of woman? Does the current political economy adequately recognize the economic function that woman performs? The brief reference that has been made to four big problems of the present day is not intended to be exhaustive, but to introduce a somewhat fuller discussion of these two questions. It would seem that we are on the brink of significant changes in political economy. I wish first to examine the past attitude of economics toward the position of woman in the industrial society and then to consider what modifications are involved in the impending changes.

There are but two great fields of economic activity—consumption and production. Every act of which economics takes cognizance is an act of consumption or an act of production. Production is the creation of utilities. Consumption is their destruction in such manner as to secure the intended satisfaction. That department of economics which deals with production considers how wealth is brought into existence, how the number of useful things is increased. Consumption considers how these useful things, this wealth is enjoyed. Textbooks recognize two additional departments of economic inquiry—distribution and exchange. But every act of exchange is also an act of production and there can hardly be said to be such a thing as an act of distribution. The merchant and also his customer, the seller and buyer alike in every ordinary exchange of products are producers of wealth. There is here a separate field of inquiry in the series of questions that arise out of the motive for the exchanges. We may ask why products exchange as they do. We may inquire why men subjectively estimate them as they do. The exchange of products forms thus a distinct field of economic investigation, but there is no act of exchange that is not also an act of production. Neither is any one



engaged in a distinct process which we may properly term distribution. All that we can say is that wealth is produced and that somehow when wealth is produced it is also distributed. There is no building or street in which we may observe distribution taking place. It is a process which is involved in the very process of production. Like exchange it is a separate field of inquiry, but it is not a separate field of industrial activity. We may inquire why, when production is complete and products thrown out, they go here, rather than there. We may investigate the forces which are operative in determining the objective values of commodities, in fixing market prices and in dividing wealth among individuals, but we shall look in vain to find any man or set of men who are authorized to arrange such distribution. The buzzing of the immense machine of trade and industry in all its parts is the noise of production and its products include all valuable things. Look as closely as we may, we shall find only these two forms of economic activity among men: the production of wealth, *i. e.*, the making of useful things; and the consumption of wealth, *i. e.*, the using of these things.

It is evident therefore that if we are to take up the study of wealth we must direct our attention either to production or to consumption. It is not strange that the first of these processes has first attracted attention. Productive activities are more obvious, more easily classified, and when they assume large proportions less common-place. But it is nevertheless surprising that production has so completely engrossed the attention of economists that consumption has been almost entirely ignored. The fact has been partially concealed by the division of the discussion into the three great departments of production, exchange, distribution. When this division has disappeared it is revealed that writers have been engaged solely with such inquiries as these: How may the utilities be made as great as possible? How may the distribution of our national wealth be modified? How may the factories be kept going? How may the circulating medium

be made most effective? How may transportation and the system of wholesale and retail trade be perfected? How may wealth be so distributed as to keep the capital fund intact and laborers sufficiently well fed and sheltered to enable them to continue efficient producers? Economists have seemed to care very much about adding to the wealth fund, but they have seldom inquired whether the wealth thus produced is consumed in accordance with sound principles of economics—whether the right things are called for from producers—whether there are any principles of consumption governing these matters at all. Consumption is subordinated in importance to production, and that, when we consider it, is one of the strangest and most unnatural inversions that the history of any science has ever disclosed.

Economics, the writers have defined as the science of wealth. They have made under that head a detailed study of machinery, of patents, of division of labor, of currency and banking, and the movements of prices, of transportation, of rent, of profits, of wages. But there are no discussions on home adornment, on architecture, on music and art, on choice of books and of newspapers, on dress, on travel, on food and drink, on marketing and cooking, on social intercourse—in short on the consumption of wealth—on the use of those things which with our money and banking, our machinery and our patents, our business profits and rent and wages we are continually bringing into existence.

If political economy is the science of wealth, it is as much concerned with the way in which wealth is consumed as with the way in which it is produced. If, as some are already preferring to call it, political economy be the science of human wants, then it is even more fundamentally concerned with the consumption than with the production of wealth. The most profoundly significant of the impending changes in economics is this very transfer of the centre of discussion from the one field to the other. Economists are beginning to study certain phases of consumption, and there is a

disposition to place this division of the subject alongside of production as the co-ordinate field of economic inquiry. If acquisition is the idea which in the past history of economics has been all but unduly emphasized, expenditure is the idea which the future of the science will place beside it.

It is this change which involves a revolution in the attitude of the science toward the economic function of woman. For if it falls to man chiefly to direct the general course of production, consumption is the field which belongs pre-eminently to woman. If the factory has been the centre of the economics which has had to do with production, the home will displace the factory as the centre of interest in a system which gives due prominence to enjoyment and use. It would not be misunderstood. It is not true that man alone is a producer. Not only has the field of industry and of professional life been occupied and honorably so by woman, but also in the home itself woman may be said in the strictest sense to be a producer of wealth. The work of cook and chambermaid is production. The direction of the home establishment is production. A steak is worth more broiled and placed on the table than it is in the butcher boy's tray. We recognize that if it is a question of paying for it in an eating house; so should we also recognize it in our own dining rooms. Rugs and carpets are worth more after they are swept and cleaned. We recognize that at house-cleaning time if we pay a man to carry them away for a beating; so should we also recognize it when with far greater labor they are kept bright and clean by the daily use of the broom.

Nevertheless there is a propriety in assigning the field of production to man since the grosser forms of production, those things which in fact have most attracted the attention of economists have been mainly carried on by the labor of man. Production on a large scale has been in his hands. Manufacturing establishments, canals, railways, the trades, so also the industries which have to do with the mechanism of exchange, banks and clearing houses—these have all been



manipulated by men. To woman has fallen the task of directing how the wealth brought into the house shall be used, whether much or little shall be made of it, and what kind of wealth shall be brought. In the current theories, the importance of this latter function has been absurdly underestimated. With a clearer recognition of its true relation to the whole subject of wealth there must result an increased respect on the part of economists for the industrial functions which woman performs. Incidentally there may also result an increased interest on the part of women in the study of economics, since such a recognition would imply scientific discussion of subjects in which they are in the nature of the case interested.

The true object of the science of economics is the investigation of the essential conditions of industrial and social prosperity. Some writers have restricted its scope to the field of exchange and have defined it as the science of value; but in the hands of its greatest masters economics has been a theory of prosperity rather than of value. The new emphasis on consumption is a new recognition of this older and more fruitful conception.

There are three ways in which prosperity may be increased: We may choose more wisely what things we shall produce; we may produce more efficiently; we may consume more economically. The wiser choice and the more economical use alike fall within the range of what in economics is called consumption or demand. Choice and use are related more closely than would appear at first sight and their relation is somewhat more complicated. It is more complicated than it would be if no specific article were produced before it had been ordered by the one who is to consume it. We do frequently order shoes, clothes or houses in this way; but our ordinary plan is for the consumer to choose from a stock already produced. Nevertheless, choice logically precedes production. The only result of the adoption of our present plan is that choice or, as the technical word is, demand,

modifies production gradually instead of suddenly. If an article is no longer chosen by consumers it is no longer produced. The production takes place in view of the anticipated choice. Production follows in rough conformity the course of demand. It even follows the vagaries of fashion no less faithfully than the steadier undulations of normal demand. It never anticipates choice very far. It takes few real risks.

Thus choice is able to affect general prosperity because it precedes and modifies production and this modification may be of a kind that will lead to a fuller utilization of natural resources or the exact opposite. Frequently there is more than one commodity that would satisfy a given want. In such cases the selection of a particular one would nearly always enable the productive resources to be more fully utilized than the selection of any of the others. The selection of that one by consumers would directly promote general prosperity, while the choice of others would retard it. We desire, for instance, fuel in our homes for cooking and for warmth. If all people use wood to supply that desire there arises a very heavy demand for wood. Lands which produce the fuel demanded become very valuable. Producers of wood receive a high price for their commodity and are benefited, but consumers limited by their own action in choosing this one variety of fuel only suffer distinct loss. If now some consumers choose, instead of wood, bituminous coal, the general prosperity is thereby increased. The desire for heat is met as before; but a new resource is drawn upon. If previously there was a monopoly of wood lands the value of the monopoly has greatly declined and society has reaped the advantage. The modification in consumption has not only added to the social resources, but has brought about a more advantageous distribution of wealth. If, later, anthracite coal, and natural gas, and various kinds of oil are added to the list of available fuels a new advantage is gained and prosperity promoted at every step.

This process is especially obvious in the choice of articles of diet because of the fact that the economic principle is reinforced by physiological considerations. The variety in consumption utilizes existing resources more fully and the variety in diet enables the systematic demand for food to be more easily met. When the diet is so varied as to include the various classes of food needed by the system fewer pounds of fuel are required. But in general it is true that every new article demanded to supply an existing desire calls on some reserve fund in nature and may directly promote the general well-being. If we wear only cotton dress we fail to get any benefit from lands which are suitable for sheep pasture, but not for cotton raising and from the resources which might be devoted to the production of silk. The principle holds good in travel, in literature, in music, in art. The greatest enjoyment is obtained when demand is such as to call forth the most varied talents and acquirements. In every field it is true that the choice of pleasures may be such as to promote prosperity or it may be, and too often is, such as to limit pleasure to the lowest minimum which it is possible for the productive powers to provide.

That the prosperity of society may be promoted, secondly, by a more efficient employment of the productive forces is a fact so generally recognized that no reference to it would be necessary except to make it clear that in emphasizing the importance of consumption I have no intention of underestimating the importance of efficient production.

But thirdly, we may look for a radical improvement in general economic conditions from a wiser use of the wealth which we have chosen to produce. The degree of enjoyment which may be obtained from a given amount of wealth depends mainly upon two things: the subjective condition of the consumer determining his capacity for enjoyment; and secondly, the relations that may be established among the various articles which enter into the consumption—the combinations which the consumer is able to make—the



harmony which he may be able to establish in the various departments of his consumption. The social progress of the race exhibits a tendency toward diversity, toward variety in consumption; but also another tendency toward greater harmony within these separate parts, and a greater harmony between these parts in their union to form that whole complex which we call human existence. There is nothing incompatible either in economics or in general biology in these two tendencies toward greater diversity and greater harmony. A more distinct co-ordination may preside over a continued differentiation. This is a law of biological development, and it is the law of the standard of living. Yet these are not to be regarded as blind tendencies operating independently of man's economic activity. Harmonious groups are found to yield greater pleasure, and thus they displace the older and cruder groups. Half instinctively, half consciously the reign of harmony is extended until it tends to cover the whole field of consumption.

Professor Patten\* has suggested the word complement for any such group of commodities, of which the combined utility is greater than the sum of the utilities of the separate parts. The reason for the increase of utility is that the parts form a synthesis by entering into harmonious combination with each other. The pleasure derived from the consumption of the complement is greater than the total pleasure which could be obtained from the consumption in isolation of its separate parts. The classic illustration is of a dinner, in which the pleasure derived from the meal, with its courses served in proper order, the condiments applied to the dishes for which they were intended, the dressing and gravies put where they belong, the whole served in the manner which the diner finds most pleasing and enlivened, it may be with social intercourse—the pleasure in short from a dinner with all that the word implies is greater far than could be obtained

\* "Economic Causes of Moral Progress." *ANNALS*, Vol. III, p. 134. September, 1892.

from the same quantities of food sundered from each other, each consumed for its own sake. Many commodities, like salt, which have positive utility when taken in combination, are found to have a decidedly negative utility when taken in isolation. It is not possible to ascertain the utility of the complement dinner by adding the separate utilities of the items of which it is composed, but only by considering the amount of pleasure which the dinner actually gives.

There is another more complex complement into the composition of which the complement dinner enters as one and not the least, nor yet the greatest element. Food and a house or a part of a house; house furnishing, the presence of kindred and certain associated enjoyments we are wont to designate collectively as home. I have not fully enumerated its elements. Poets have long been struggling to convey in verse an adequate idea of the content of the word home, and they have not failed, though they have not agreed. The tendency to exalt some one element of the complex whole, to make it stand for the entire conception is not an exceptional and unusual tendency, but is to be met with in every act of economic judgment. The pleasure is a unit, but the commodity which confers it is complex. The consumer must distribute the credit for the pleasure experienced among the different individual elements which have together conferred the pleasure. In the case of the dinner we are apt to ascribe the agreeable result of the whole mainly to some new or favorite dish which may not have occupied a very prominent place, so far as its quantity or its separate utility is concerned, but which is recognized as completing the combination and adding materially to the utility of the whole.

In the home it may be the particular homestead, the social environment, the presence of certain features of the natural scenery: a mountain, the sea, the woods, the boundless prairie; or it is the well-stocked library, or the musical studio, or it is the nursery and the school-room and the

play-room of the babies, or it is the family altar of worship, or the provident care of the father, or more often than any, interwoven with all other elements and giving a meaning to them all and forming the very keystone in this arch of enjoyment that we call home, is the mother's love for the family and the home she has made them. Any one of these individual sources of enjoyment may assume the prominent place at a given moment but oftenest this one. To woman it is given to add many fold to the enjoyment which the wealth products of industry are able to secure.

This is not a sentimental but a purely economic view of woman's work. Utility, *i. e.*, the power to confer pleasure is an economic concept. The production of wealth is nothing less nor more than the process of adding to the utility the pleasure giving power of commodities. If now these commodities can be so arranged and grouped for consumption as to make them yield more pleasure than if they are consumed in a haphazard way, then the one who secures that result, performs just as distinctly an economic function as does the one whom we call technically a producer. This function I have called the direction of wealth consumption. It does not devolve entirely upon woman, but it does very largely. It is hers to determine not only what commodities shall be chosen and produced, but also what combinations shall be made, what degree of harmony shall be secured in the consumption of the commodities that have been produced.

I have indicated three methods by which general prosperity may be increased: a better choice, a better production, a better consumption. In comparing the relative importance of the three methods it will be found that there are greater immediate possibilities in the third than in either of the others and that of the two that remain, the first is more important than the second. It is the present duty of the economist to insist upon this, to magnify the office of the wealth expender, to accompany her to the very threshold of the



home that he may point out, with untiring vigilance, its woeful defects, its emptiness caused not so much by lack of income as by lack of knowledge of how to spend wisely. In the role of the economist he may not enter to direct just what works of art or what food products should be selected, just what combinations of color would most beautify a particular sitting room, just what arrangement of furniture is best. He may plead the limits of human ability in securing detailed knowledge, but he may assert his right to pass in review the work of minor advisers like the merchant, the decorator and the furnisher. There is no principle of wealth enjoyment higher than the economic. There is no economic function higher than that of determining how wealth shall be used. Even if man remain the chief producer and woman remain the chief factor in determining how wealth shall be used, the economic position of woman will not be considered by those who judge with discrimination as inferior to that of man. Both may in their respective positions contribute directly and powerfully to the advancement of general prosperity.

We have temporarily left out of view the case of women who have entered the ranks of producers in the technical sense, and whose just complaint is that their rewards as producers are not commensurate with their services or with the rewards of male producers in the same industries. There are many reform movements on foot of which the object is to mend and ultimately to end these inequalities. Among those especially noteworthy is the far-seeing action of certain of the labor organizations in championing the claims of woman, the movement for more stringent legal protection, the organization of women's clubs, guilds and unions, the preparation of "black lists" and of "white lists." Results by no means insignificant have already been achieved in these directions. What is chiefly significant, however, is that these movements are in accord with the economic tendencies of our time. So far as those tendencies are revealed by a study of

the course of consumption they are in the direction of increased variety not only in food, a department which is of the least interest to the body of woman producers, because they do not produce food, but also in the departments of personal and house adornment. The increased variety in these departments of consumption is of the most immediate concern to women producers, since it is accompanied by an increased demand for articles which require that delicacy of handling in both manufacture and sale which women are best fitted to give. Increased attention to the refinements of civilization means a relative increase in the demand for woman's labor. More discriminating choice necessitates more discriminating production. With every advance in consumption mere muscular strength is placed at a heavier discount while tact, delicacy of touch, ability in harmonizing colors and in giving a beauty to articles which before served useful purposes without at the same time pleasing the eye by their form, in other words, the qualities in which women are admitted to excel, are placed at a premium. To borrow Bastiat's famous phrase, "that which is not seen," thus operates to the advantage of woman in the economic conflict with her male associates. Those who have at heart a social reform that shall secure industrial emancipation for woman find an unexpected ally in the very economic forces against which they have sometimes felt that they were waging a losing battle. Increased faith in the future, increased confidence in the to-morrow that is seen to be already breaking, must result from the clear recognition of such powerful friends.

EDWARD T. DEVINE.

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## RELIEF WORK CARRIED ON IN THE WELLS MEMORIAL INSTITUTE.

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(UNDER THE MANAGEMENT OF DENISON HOUSE, BOSTON).

The Wells Memorial Sewing Rooms were opened during the winter of 1893-94 by the Boston College Settlement (Denison House), to provide temporary work for women thrown out of employment by the financial crisis of last winter.

During December the residents of Denison House were so impressed by the suffering among their neighbors (especially among the tailoresses and other working women), to whom they could suggest no means of finding work, that the Denison House Committee determined to try this method of relief. The object of the experiment was to help self-respecting women, unused to receiving charitable aid, especially skilled workwomen, such as tailoresses and dress-makers, by furnishing them with work until they could get into regular employment again.

It was decided to give relief, as adequate as possible, to a few women rather than to give inadequate relief to a larger number of women for whom, because of the help obtained from us, the community might feel no longer responsible.

The Citizens' Relief Committee, appointed about the same time, had already planned a sewing room for women, besides outdoor work for men. The Denison House plan seemed to them, however, to supply a need that could not so well be met by their work-rooms at Bedford street, and they offered to contribute toward it the salary of the manager and the wages of the workwomen as well as some of the materials. The work-rooms, lighted and heated, were given rent free by the managers of the Wells Memorial Institute. All other expenses, including materials (outside those given by the



Citizens' Committee), and all payments for salary or wages after March 24, when the subsidy granted by the Citizens' Committee ceased, were met by contributions either privately offered or given in answer to an appeal published in the Boston papers of Saturday, February 24, 1894.

The plans having been decided on by December 23, all preliminary arrangements were made with great dispatch. On December 26, the rooms were opened for cutting, etc. On December 27, thirty women, personally known to the residents of Denison House, were received at the work-rooms. Within a few days this number increased to sixty, and within two weeks to 150 working in two shifts, each shift being employed for half a week, at a uniform wage of seventy-five cents a day (\$2.25 a week). The number was limited to 150 each week, but under great pressure occasionally reached 175. The work was in charge of a general manager, assisted by a cutter, three forewomen and a janitor. When necessary an assistant cutter was employed. A department for investigating and admitting applicants, finding employment and giving relief in special cases, was also organized.

The garments manufactured were the simplest style of undergarments for adults, children and infants, plain dresses of both wool and cotton for children of all ages, wrappers and other useful articles for invalids, men's shirts of outing flannel, girls' and women's cotton shirt-waists, and bed linen.

Machine work was put into very few garments; the sewing was for the most part well done, though a teacher, who was also an examiner, was regularly employed later on to assist those workers who were unskilled in this line of work.

About 500 yards of material were consumed each week, making a total aggregate of 10,000 yards, supplied from the following sources: Citizens' Relief Committee, Boston City Hospital, Sea Island Relief Committee, Dedham Boys' Home, Home for Aged Men, Children's Friend Society,

New England Hospital, Girls' Friendly Society, Denison House.

In all 3522 garments were manufactured and disposed of as follows:

Citizens' Relief Committee . . . . .	1137	Sisters of Charity (Harrison Avenue) . . . . .	104
Sea Island Sufferers . . . . .	597	St. Vincent's Asylum . . . . .	67
Boston City Hospital . . . . .	607	Girls' Friendly Society . . . . .	15
Dedham Boys' Home . . . . .	102	Miss M. C. Jackson (for distribution) . . . . .	123
Home for Aged Men . . . . .	96	Roxbury Fire Sufferers, private orders and miscellaneous gifts . . . . .	483
Children's Friend Society . . . . .	37		
New England Hospital . . . . .	8		
Baldwinville Hospital Cottages . . . . .	58		
Salvation Army . . . . .	67		
Travelers' Aid Society . . . . .	21	Total . . . . .	3522

It will be seen from this list that competition with trade was as far as possible avoided, the product of the work-rooms being neither put on the market nor disposed of to ordinary consumers. It was not the aim to manufacture goods for individuals so much as for institutions which do not employ the regular shops for the grade of work done at Wells Memorial: for example, the orders filled for the City Hospital were for garments usually made by the nurses in their spare time in the institution, and the taking of the work at Wells Memorial deprived no shops or other work-rooms of orders.

#### STATEMENT OF FUNDS RECEIVED AND EXPENDED.

To cash received:

Citizens' Relief Committee . . . . .	\$4,743.68
Contributions through Denison House . . . . .	2,810.02
	<hr/>
	<u>\$7,553.70</u>

By sundries:

* Wages (\$.75 a day) . . . . .	\$4,836.89
† Salaries and miscel. wages . . . . .	1,189.01
Work given out in the homes . . . . .	187.30
Expert statistician . . . . .	47.10
	<hr/>
	<u>\$6,260.30</u>

\* "Wages" were paid to women on the regular shift.

† The permanent staff, also persons out of employment, consisted of seven. Of these the man employed as a cutter received the largest salary—\$12.00 a week.

By amount brought forward . . . . .	\$6,260.30	
Sewing machine . . . . .	\$20.00	
Bradford, Thomas & Co., C. F.		
Hovey & Co. (materials) . . . .	413.35	
Stationery, expressage and sundries . . . . .	101.53	
		534.88
* Employment at Denison House .	\$223.97	
Given to Relief Work at Rev. E.		
E. Hale's church . . . . .	50.00	
Returned to Citizens' Relief Committee . . . . .	84.60	
		358.57
Balance in hand of Denison House to be used for employment . . . . .	399.95	
		<u>\$7,553.70</u>

In regard to applicants for work the facts are as follows:

Of 692 recorded applicants, 100 were not investigated and 268 were refused after investigation, though never without an attempt to refer those in need to other sources of help. In some cases work was found for applicants.†

\* Employment at Denison House was in the form of extra domestic service, carpentering, painting, sewing, shoveling of snow, etc., ways in which every householder may give work-relief.

#### † APPLICANTS REFUSED.

Of 268 applicants refused:

- 37 had found regular employment (or some member of the family had done so).
- 66 had found work at other relief rooms.
- 32 had been referred to other relief rooms, but failed to secure work, because not suitable.
- 14 were referred with notes to the Associated Charities.
- 24 were referred with notes to other charities.
- 12 were referred to Women's Educational and Industrial Union for housework. Of these three are known to have obtained work.
- 20 could not be found at address given.
- 24 did not appear to need relief work.
- 5 were otherwise cared for, *e. g.*, had fare paid to home had a home found in country, were sent to hospital, etc.
- 6 were outside of city limits.
- 12 were of unfit class, as beggars, peddlers, persons wholly unable to sew and others.
- 16 were refused for cause not stated.

*Résumé.* 268 persons refused; of these 106 found work elsewhere; 40 found regular employment, and 66 found temporary work-relief in other rooms.



Of the total number of applicants no record was kept. During the first two days alone 300 persons applied, many of whom were so evidently not of the class for whom the work was intended that they were turned away without registration, though not without some suggestion or advice. Though the demand for work was not so great after the first, the recorded number probably represents not more than half of the total number of applicants.

Investigation was at first informal; if the case was pressing the applicant received work-relief immediately. About January 15, the work was so systematized that it became possible to investigate every case before admission. A printed form was employed on which the condition, viz., name, age, trade, time out of work, number of dependents in family, and other useful facts were recorded. This information was verified by a visit to the home, and often further authenticated by a call at the office of the former employer, the more pressing cases, of course, receiving immediate attention. The investigation was completed by sending every card filled out to be compared with the Associated Charities' records. Among all the applications only four or five cases of conscious fraud appeared.

The 324 applicants who were investigated and accepted were classified under the following heads:\*

Class 1. Women working at trades, out of employment because of the hard times, but expecting work in the spring . . . .	161
Class 2. Housewives forced by the hard times to become wage-earners . . . . .	62
Class 3. Copyists, saleswomen, seamstresses, cleaners, etc., whose lack of work was due to the hard times . . . . .	85
Class not stated . . . . .	16
<hr/>	
Total number of workers . . . . .	324

\* The following tables are based on one or the other of two totals: either, 324, being the number of workers; or 592, being the number of applicants and workers taken together. Those tables and remarks that are starred are drawn from the Twenty-fourth Annual Report of the Massachusetts Bureau of Statistics of Labor and are computed from the total of 592.

The following miscellaneous tables show various facts concerning the workers in these rooms, but it must be remembered that general conclusions can scarcely be drawn from so small a number of persons. Owing to the fact that the investigating department was not organized immediately, the results obtained are usually based on a proportion only of the whole number of workers.

Of the number supplied with work-relief the native born were 126, the foreign born, 120; total number stated, 246; number not stated, 78; making a total of 324. Of the 324 workers, 269 stated length of residence in Boston as follows: 179, ten years or over; 37, from five to ten years; 40, from two to five years; 5, between one and two years, while only 8 had been in Boston under one year, showing that by far the greater number of workers were old residents of Boston. The total number helped, including families, was 1060 persons.

The following table shows trades of workers:

Sewing trades.	{	Dressmakers and seamstresses,	75	
		Tailoresses . . . . .	75	
		Allied trades . . . . .	24	
			—	174
Domestic work . . . . .				27
Saleswomen . . . . .				5
Housewives . . . . .				62
Factory help . . . . .				14
Other occupations . . . . .				12
Occupation not stated . . . . .				30
			—	
Total . . . . .				324

This table shows that we succeeded fairly well in our first aim of helping tailoresses and skilled workers.

The time during which 229 of the 324 workers had been out of work averaged three and seven-tenths months. Twenty-seven of the men in the families of the 324 workers received from the City Work Relief during the winter, a

total of \$324.27. In the families of 160 there were no men (unless dependents). Fifty-six of the women received from other relief rooms a total of \$435.27. This does not mean overlapping, as in most cases the work was given at different times. These facts show how little the other relief work affected the special families helped by the Wells Memorial Rooms.

The table on page 68 classifies the occupations as shop work, home work, and domestic and personal service:

\* "This table also shows the average weekly earnings under each classified occupation head, as reported by the applicants, and presents a classification with respect to each of the items included in the table under the head of native born, foreign born, and birthplace not given, with aggregates.

"The average amount of work-relief furnished to the persons previously engaged in shop work was \$15.11, while those who had been engaged in work at home received \$17.05, and the persons previously engaged in domestic and personal service, \$14.69. The grand average amount of work-relief supplied to all applicants in the aggregate was \$14.93; while the grand average weekly wage previously earned by the applicants, in the aggregate, was \$5.29. They therefore received an amount nearly equivalent to three weeks' wages at the rate of earnings previous to being thrown out of employment.

"The proportion which the amount of work-relief furnished the different classes of workers shown in the table bears to average weekly earnings does not in most cases vary from the proportion which applies to all applicants in the aggregate. In some cases, however, it rises as high as four weeks' pay, and in others falls to about the amount previously earned in two weeks."

\* See foot note, p. 65.



* CLASSIFICATION.	NATIVE BORN.				FOREIGN BORN.				BIRTHPLACE NOT GIVEN.				AGGREGATES.			
	WEEKLY EARNINGS.		VALUE OF WORK-RELIEF.		WEEKLY EARNINGS.		VALUE OF WORK-RELIEF.		WEEKLY EARNINGS.		VALUE OF WORK-RELIEF.		WEEKLY EARNINGS.		VALUE OF WORK-RELIEF.	
	Number Reporting.	Average.	Number Supplied.	Average.	Number Reporting.	Average.	Number Supplied.	Average.	Number Reporting.	Average.	Number Supplied.	Average.	Number Reporting.	Average.	Number Supplied.	Average.
1 Shop work,	89	\$5.34	93	\$15.69	95	\$5.41	86	\$15.81	28	\$4.87	13	\$6.29	212	\$5.31	192	\$15.11
2 Home work,	8	5.69	24	20.01	11	5.57	41	17.81	3	6.67	10	6.88	22	5.76	75	17.05
3 Domestic and personal service,	7	5.43	8	16.55	13	4.08	14	17.21	5	4.61	5	6.17	25	4.56	27	14.69
4 Not given,	5	5.80	5	10.05	8	5.97	6	15.44	15	4.97	19	4.65	28	5.40	30	8.67
5 Totals, . .	109	\$5.40	130	\$16.33	127	\$5.32	147	\$16.49	51	\$4.98	47	\$6.19	287	\$5.29	324	\$14.93

\* See foot note, p. 65.

The next table shows the value of work-relief as classified under amounts varying from \$3.00 and under to \$53.25.

Classified Value of Work-Relief.	Number of Per- sons Receiving.
Under \$3.00 . . . . .	32
\$3.00, but under \$12.00 . . . . .	130
\$12.00, but under \$18.00 . . . . .	49
\$18.00, but under \$25.00 . . . . .	57
\$25.00, but under \$35.00 . . . . .	35
\$35.00, but under \$45.00 . . . . .	17
\$48.75, but under \$54.00 . . . . .	4
Total . . . . .	324

\* Of the total number of 592 applicants the number stating usual weekly earnings was 287. Of these 122 (eighty-seven of whom had worked in shops), had previously received less than \$5.00 per week, 153 had received \$5.00 or more, but less than \$10.00, while 12 had received \$10.00 or over.

The number of our workers who had been previously aided by the Associated Charities was investigated with the following results: Of 324 workers, 86 were found to be recorded at the office of the Associated Charities. But of the 86 recorded, 15 cases were registered, but were not known to have received aid; 32 cases had been helped for the first time this winter (1893-94); 25 had been helped previously, numbers of whom had received aid only once, or perhaps during one past winter, and 14 were chronic cases. This leaves, out of 324 workers, only 39 who were known to have received charitable aid before the past winter.

The table on page 70 relates to rent and brings out the following facts: The number of applicants reporting the amount of rent paid by the families to which they belonged was 306; 209 made no report as to rent, while 77 were boarding. The 306 who reported rent paid, represented 1129 persons who occupied 833 rooms and paid a total monthly rent of \$3,182.48. The average monthly rent per room ranges from \$2.04 in Ward 2 to \$6.87 in Ward 10; the last sum,

\* See foot note, p. 65.

however, represents but a single case and is much above the average in any other ward, the next highest being \$5.18 in Ward 9, an average representing reports made by 7 persons.

In general, the monthly rent per room does not rise above \$5.00 nor fall below \$2.50. The average number of persons to a room was highest in Ward 6, where it reached 2.29, and lowest in Ward 21, where it was 0.65. A high average number of persons to a room (more than 1.50) appears in Wards 2, 5, 6, 7, 8, 11 and 17.

*THE CITY AND WARDS.	APPLICANTS.				APPLICANTS REPORTING RENT PAID.						AVERAGES.	
	Reporting Rent Paid.	Not Reporting Rent Paid.	Boarding.	Totals.	Number.	Number of Persons.	Number of Rooms.	Total Monthly Rent Paid.	Monthly Rent per Room.	Persons to a Room.		
THE CITY OF BOSTON . .	306	209	77	592	306	1129	833	\$3,182 48	\$3 82	1.36		
Ward 1. . .	—	5	1	6	—	—	—	—	—	—		
Ward 2. . .	2	2	2	6	2	16	10	20 42	2 04	1.60		
Ward 3. . .	5	—	—	5	5	23	21	60 50	2 88	1.10		
Ward 4. . .	—	1	2	3	—	—	—	—	—	—		
Ward 5. . .	4	2	3	9	4	15	9	35 25	3 92	1.67		
Ward 6. . .	6	4	1	11	6	39	17	70 33	4 14	2.29		
Ward 7. . .	7	6	3	16	7	32	18	61 00	3 39	1.78		
Ward 8. . .	11	4	7	22	11	50	28	142 26	5 08	1.79		
Ward 9. . .	7	5	2	14	7	25	19	98 42	5 18	1.32		
Ward 10. . .	5	1	1	7	5	11	8	54 99	6 87	1.38		
Ward 11. . .	20	11	8	39	20	87	55	275 67	5 01	1.58		
Ward 12. . .	54	18	5	77	54	136	101	467 02	4 62	1.35		
Ward 13. . .	24	12	6	42	24	124	83	232 67	2 80	1.49		
Ward 14. . .	8	7	3	18	8	30	30	69 00	2 30	1.00		
Ward 15. . .	9	7	—	16	9	35	35	91 83	2 62	1.00		
Ward 16. . .	55	46	11	112	55	188	142	570 25	4 02	1.32		
Ward 17. . .	32	24	7	63	32	116	77	307 34	3 99	1.51		
Ward 18. . .	11	6	3	20	11	23	19	89 90	4 73	1.21		
Ward 19. . .	19	8	4	31	19	71	57	217 15	3 81	1.25		
Ward 20. . .	12	8	4	24	12	52	45	144 41	3 21	1.16		
Ward 21. . .	5	3	2	10	5	11	17	57 66	3 39	0.65		
Ward 22. . .	3	4	1	8	3	17	12	30 75	2 56	1.42		
Ward 23. . .	5	4	1	10	5	17	18	58 66	3 26	0.94		
Ward 24. . .	2	4	—	6	2	11	12	27 00	2 25	0.92		
Ward not specified	—	17	—	17	—	—	—	—	—	—		

\* See foot note, p. 65.



Attempts were made to ascertain the former savings of applicants. Nothing fit for tabulation could be gathered, but the impression received was that these work-women, as a whole, had never been able to save except for some temporary emergency, which soon enough occurred. When it is remembered that 160 of these women had no active men in their families to help bear the burden of support, that their average weekly wage, when in regular work, was \$5.29—and that “regular” work in any occupation is seldom steady throughout the year—it will be seen that there was usually small margin for saving. Instances were not rare of women, who, during a large part of their working lives, had supported sick or aged relatives.

Inquiries as to indebtedness were made (except as to insurance policies and pawn tickets) with the result that 189 persons reported debts varying from \$2.00 to (in one case) \$400. Much the largest part of the indebtedness was for rent. Though many women could not pay anything toward rent from the sum earned at the work-rooms, very few were evicted by landlords. On the other hand, there were few cases where, to our knowledge, the weekly rent was reduced because of the hard times.

The workers were accepted with the understanding that earnest and constant effort must be made by them to secure legitimate work in the regular trades. The employment department furthered these efforts with more or less success, sometimes placing the workers in their own trade if not with their former employers. Advertisements were answered, and those women who were able to take domestic service were registered at the Women's Educational and Industrial Union.

In the work-rooms the women were divided into three grades according to skill, each grade in a separate room, and each under the care of a forewoman. The day's work lasted seven hours, and fines were exacted for tardiness; one hour was allowed for dinner, and at this time the

women were given the use of a hall and piano in the building. A hot lunch was sent in from the New England Kitchen for those who desired it, at a cost of about eight cents each. Cheap as this was, most of the workers preferred to save by bringing their own lunch of bread and butter, with perhaps some cold tea. The forewomen did much teaching, and in the room of the least skilled workers a second teacher was also constantly employed. This element of training helped to raise the standard of the work. Many improved, and some (among them married women with children) thanked the managers afterward for the opportunity of learning to sew. While there were idle, careless and incompetent workers, and while the standard suffered somewhat from the criterion of employment being need and not good work, still the spirit of the work-rooms was, on the whole, one of industry and ambition. Women were heard to boast that the articles from these work-rooms were better finished than in shops for ready-made goods, and showed their own work in proof of the fact. A rough estimate was made of the competence of each woman in the work. This is scarcely a fair gauge of general competence, as the work was confined to sewing, in which many women well trained in some other direction might not be proficient. The fact was shown, however, that 72 of our women were utterly incompetent seamstresses, that 127 did work of medium grade, while 125 did excellent work.

Of women belonging to the sewing trades the proportion of skilled and unskilled workers is shown in the following table:

	Competent.	Medium.	Poor.
Dressmakers and seamstresses . .	46	20	9
Tailoresses . . . . .	31	31	13
	—	—	—
Totals . . . . .	77	51	22

Or 77 competent, against 73 medium or poor.

On May 5 the rooms were closed, few applicants having

been received during the previous month, and the number of workers having been gradually reduced by discharge.

The following table shows the conditions under which workers left the work-rooms:

Obtained regular employment . . . . .	172
Of these 40 were known to be poorly placed, and 28 to have entered domestic service.	
Referred to other work-relief rooms . . . . .	8
Referred to domestic service . . . . .	17
Found not to need the work . . . . .	16
Provided with other aid . . . . .	3
Placed in care of Associated Charities . . . . .	11
Referred to other charities . . . . .	4
Discharged for intemperance . . . . .	2
Needing only temporary aid . . . . .	8
Miscellaneous . . . . .	24
Unprovided for at closing of rooms . . . . .	59
Total . . . . .	324

Twenty-five of the persons discharged were placed by us in positions. This number, however, scarcely shows the amount of employment found by us, as numbers of temporary places, especially at seamstress work, are not recorded. We hoped that some of these might lead to permanent work, and in some cases this happened. When the work proved only temporary, the women were re-admitted. Certain employers recalled their work-women after a correspondence with us. (It was remarked that most employers seemed glad to provide for their work-people when they could, and anxious to speak well of them.) Ten were reported as placed by the Employment Bureau of the Women's Educational and Industrial Union, but this number also is probably understated, as persons placed often sent us word merely of the fact, without telling through what means their positions had been secured. One hundred and thirty-seven of the workers, as far as known, placed themselves. Whenever a worker ceased to come in, a card was sent her asking to know the cause of her absence, and whether she had found



work. Volunteer assistants visited and helped persons requiring special relief. In all about 100 such visits were made, upon about thirty persons—the assistance given being of various sorts.

Of the fifty-nine persons left unprovided for at the closing of the rooms, a large proportion belonged to the four following classes:

1. Bread-winners—so tied by burdens at home that they could not seek employment elsewhere (as, *e. g.*, in domestic service).
2. Housewives (not the usual bread-winners), whose husbands were still out of work.
3. Tailoresses, incompetent in general work, trained only in one branch of their work and knowing no other way to make a living.
4. The sickly and incompetent.

So much is said about the constant demand for household servants that it has seemed worth while to roughly analyze the list of our workers, and if possible show the reasons why not more than twenty-eight out of 324 were placed in domestic service.

#### CLASSIFICATION OF WORKERS IN RESPECT TO DOMESTIC SERVICE.

Kept at home by dependents . . . . .	104
Physically unable . . . . .	30
Superannuated . . . . .	20
Skilled workers in other trades . . . . .	24
Jews (who could serve only with Jews) . . . . .	12
Ignorant and slovenly . . . . .	11
Total unfit for domestic service . . . . .	201
Obtained other employment . . . . .	25
Untrained . . . . .	10
Unwilling to enter service . . . . .	18
Willing     "     "     but not placed . . . . .	17
Placed in service . . . . .	28
Total fit for domestic service . . . . .	98
Unclassified . . . . .	25
Total . . . . .	324

It is quite true that there is among many workers a prejudice, more or less unfounded, against domestic service, and

those women who refused suitable places were discharged from the work-rooms. In all other cases there were substantial reasons why the majority of our workers did not enter domestic service.

The reluctance to enter service, even when the worker has no dependents to absolutely prevent her, may be traced to some of the following reasons:

1. Family affection; the worker is unwilling to leave her home and relatives. Allied to this is her attachment to her church.

2. The fact that domestic service is never done; mechanics, shop-workers, etc., have a definite number—usually not more than ten—of working hours, after which they are free, but in most families a domestic is expected to be on duty from twelve to fourteen or even sixteen hours daily. True, she may not be at work all this time, but her time is at her mistress' disposal.

3. Closely allied to this is the lack of liberty. A shop girl or seamstress has her evenings and all Sunday to herself. A domestic has but one afternoon a week with, perhaps some part of Sunday. It must not be supposed that the girls necessarily wish free time for idleness or demoralizing pursuits; they merely share the desire we all feel to do our work in a definite time and then be free.

4. The need for some social life: most families keep but one servant; she does not and cannot share the family life. She has but the one afternoon in which to make acquaintances, and she is necessarily lonely; more especially when her employer lives in the country. This is felt the more because girls of the class from which domestics usually come have few resources within themselves. The sociability of shop work, moreover, is in marked contrast to domestic work.

5. Class feeling: rightly or wrongly a certain stigma attaches to domestic service, and a girl who becomes a "servant" loses caste among her former associates.

6. Lack of training: many who would be willing to enter service have had no training whatever, and know that to undertake it in their present state of ignorance is to invite constant fault-finding and "nagging" from their mistress.

Such are some of the reasons which keep working women away from household service. There are cases in which women, well-fitted to do so, refuse to go into service, preferring to be supported in whole or in part by charity, and these deserve neither sympathy nor aid, but they are the exceptions. It must be noted that the objections to domestic service are not in themselves ignoble; but in harmony with the democratic tendency of the age. Notwithstanding the fact that wages are higher in domestic service and that positions are plentiful, women choose the more crowded and more poorly paid occupations. This indicates that in the minds of the workers the objections are rather serious. The problem of how to remove them is a perplexing one. The adoption of the following measures would help in the solution:

1. Establishment of training schools, through which domestic service should be raised to the rank of a skilled occupation.
2. Establishment of definite and moderate working hours for servants, outside of which their time should be their own, overtime being paid for.
3. More opportunity for social intercourse, not confined to their own sex.

#### GENERALIZATION.

Whatever success may have attended our venture is due to having picked workers and not many of them; to the friendly personal relations between workers and managers who often knew intimately the condition of the workers; to the element of training in the work, a high standard being preserved by conscientious forewomen, and to the plan of assuming a definite responsibility for a limited number of



the unemployed. The persistent effort to place the women in regular employment has maintained the temporary and supplementary character of the work. Three hundred and twenty-four women were enabled to earn a sum averaging three weeks' wages during the six weeks of severest stress last winter. During this time these women were saved from the demoralizing results of complete idleness and from that degradation of character which comes from receiving aid without giving a return; while self-respect, and, to some extent, physical strength were preserved until they could return to ordinary work. In some cases this work alone saved them from utter discouragement. Workers were not attracted to these rooms from outside the city, but the work was given to citizens of Boston who, by rough calculation, had an average residence of eighteen years. The persons helped were, moreover, largely those who had never received charitable aid to any extent. The work was paid for in money, which has gone back into the natural currents of trade. When our work-rooms were closed fifty-nine women were turned adrift with no prospect of immediate employment, but many of these could not take regular positions. Some who were housewives still needed temporary aid in their homes till their husbands could find work; others, incompetent or disabled, required permanent relief. We could congratulate ourselves that 172 former workers had found regular employment, and altogether 199 were known to be past their worst need.

Furthermore the articles produced had been well made and had found their way into serviceable channels. So far as we can see the larger share of the product of our shop has not come into competition with the output of business enterprises.

We hope, moreover, that the lessons learned in our experience may have a certain value to those contemplating such undertakings for the future. The following cautions are suggested:

1. The method of advertisement of relief work is a perplexing question. On the one hand the plan of application at the rooms has the disadvantage of raising hopes which often cannot be satisfied, and of attracting unsuitable applicants; while on the other hand, by the plan of giving out admission tickets to churches, charitable societies, trades unions and other agencies the independent trade workers are often not reached. When the first method was used our experience showed that superior women applied for work.

2. Investigation of applicants should be organized at the beginning of the work, as few questions as possible should be asked, and from the first the workers should be admitted only after previous investigation, including comparison with the Associated Charities records.

3. Relief, other than work, if necessary at all, should be supplied from some other source than the work-room, since the giving of such relief tends to turn the room, in the minds of the workers, from a place for obtaining honest work to a relief agency. Extra work for some especial need may, however, be given.

4. Competition with regular business is a serious danger, but by taking pains this can be avoided with reasonable completeness as long as the work of the world is not all done, as long as there remain consumers who have no money to buy goods through the regular channels.

5. The employment of housewives rather than the usual bread-winners is a mistake. It takes the women from their proper work of caring for their families and leaves the husband or other bread-winner in idleness. It may be necessary to help the women when the men can obtain no work, but when work-relief is organized the men rather than their wives should be employed.

6. As for the incompetent they should be weeded out of the work-room as soon as possible, and sent (by some wisely exercised compulsion, if need be), to a place where they can be trained to do some useful work. Those whom it is

impossible to train in this way should be provided with some work, but certainly not in the same work-room with those who are unemployed on account of industrial depression, since their needs are of a different nature. A work-room freed from the presence of the incompetent would be relieved of some of its most serious dangers.

7. The danger of depressing wages by work-relief is very great. An employer knowing that his work-people are willing to work where they can earn only \$2.25 per week thinks they should submit to any terms he may make. Numbers of our women went from our rooms to poor places, *e. g.*, tailoresses returned to us in despair from shops where they earned by piece-work \$.70, \$1.75 and \$2.30 for a week's hard work. The same thing holds true in regard to domestic service. Not infrequently last winter applications were received from employers who expected to secure trained servants for their board and lodging. There is the same danger, too, in any investigation of applicants through the former employer, as the depressed condition of his workers is thus made known to him. It was noticed that the work-people themselves dreaded this and were chary of letting their employers know their present condition. On the other hand, such investigation sometimes moved employers to call back their workers from motives of pity or justice. Whatever is done in this line should certainly be very carefully managed. Employment bureaus should not be started in connection with work-relief rooms, though they might with advantage be maintained in close communication with them. They should not be for the unemployed alone, and they should be confined to those workers who are competent in some direction.

8. The workers should feel that the work given them is useful and real employment.

9. There is danger when work-relief is started that the community may consider it adequate and throw off all personal responsibility. The impossibilities that relief work



should give employment to all should be emphasized. It must be admitted that no organization can meet the need, that every private individual must do what he can in helping, especially in using his money to give extra employment.

It is often argued that work-relief attracts people from regular lines of employment. If the incompetent are excluded, this danger may be largely avoided. Indeed there should be little fear of skilled workers being attracted by a low wage at half time. \$2.25 per week is far below a living wage.

The above consists, in the main, of reports prepared by Miss Helen Cheever and Miss Laurette Cate, who, with myself, had practical charge of the work. The managers agree in the opinion, confirmed by their experience in these work-rooms, that whenever aid must be given to able-bodied persons it should be in payment for work done under conditions conducive to self-respect.

It is, however, not inconsistent with this opinion to hold that such rooms as we have described are but the slightest palliative for unemployment. In the first place they are inadequate. In the second place they are wasteful of money and labor.

It is hoped that a condition of affairs such as we passed through last winter may not return, but should such conditions tend, under the present system, to become chronic, then relief work is about as adequate as a shelter of boughs against the equinoctial storm.

Granting that relief work is economically unsound, that we "put in a dollar and take out thirty cents," that if carried on incautiously it may involve other classes in distress through competition, that there is danger of attracting the shiftless and of taking away some incentive for individual exertion, that in fact some may "dare" be lazier because of relief work, still the fact remains that there are honest and industrious men and women in the community who cannot get work, who have nothing to live on but the current

proceeds of their work, and who cannot be helped through any charitable methods unless it be by work-relief. There are many who prefer work but will, under stress of need, take direct charity and then be forced into the pauper class.

If we condemn work-relief, what then is the alternative? Surely not starvation, surely not aid without work, but some more radical treatment of the evil. What this may be let the sociological expert point out to us. Meantime is there any temporary palliative which will do less harm than work-relief?

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## BRIEFER COMMUNICATIONS.

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### UTILITY, ECONOMICS AND SOCIOLOGY.

In "The Theory of Sociology,"\* I contended that "political economy," viewed as a science of commercial relations or market values, and "pure economics," conceived as a science of subjective utility, cost and value, are social sciences, and that neither can stand, in a classification of the sciences, logically antecedent to theoretical sociology. Both of them, I claimed, presuppose sociology, because, as I undertook to show, subjective utility has been created by social conditions and was not antecedent to them.

I did not expect that these conclusions would pass unchallenged. Had they done so I should have been disappointed. In so difficult a matter as this truth can be found only through patient scrutiny. I am therefore greatly indebted to Professor Patten for his kindly, but positive and thoughtful criticism, which was published in the *ANNALS* of September. Apparently our differences are many and irreconcilable. In reality most of them will disappear, I think, upon careful examination.

In his able paper on "The Failure of Biologic Sociology,"† Dr. Patten "tried to show that the place of economics in the hierarchy of the sciences is before that of sociology." In his communication on "The Beginnings of Utility,"‡ he reaffirms that judgment, and contends that utility, and even a theory of utility, are antecedent to social relations. Two questions are thus distinctly presented: Is the science of economics logically precedent to sociology? To what extent is utility antecedent to social relations?

So far as the discussion between Dr. Patten and myself is concerned, the answer to the first question is plain. It is somewhat surprising, after reading Dr. Patten's broad claim for economics, to find that his whole dissent from my opinion reduces to a difference in our respective uses of a single word. He would promptly admit that political economy in the classical English sense of the term—the political economy of market values as elaborated by Smith, Ricardo and Mill, is a branch of social science and presupposes sociology. Furthermore, he says that subjective cost "has social antecedents." This is an admission that if pure economics be conceived as a study of subjective

\* Supplement to the *ANNALS*, July, 1894.

† *ANNALS*, May, 1894.

‡ *ANNALS*, September, 1894.



utilities, costs and values, in their inter-relations, pure economics, too, is a social science, which presupposes sociology. Apart from the question of the origin of utility, this is all that I have claimed, namely, that classical political economy as an account of market values, and pure economics as a study of the mutual relations of subjective utilities, costs and values, are built upon sociological data, and presuppose theoretical sociology. Evidently, therefore, when Dr. Patten, after admitting all this, still contends that the place of economics in the hierarchy of the sciences is before that of sociology, he has some other economics in mind, and is using the word in an unusual way.

Fortunately his meaning is not in doubt if one reads him carefully. It is because he thinks that "theories of utility and goods" are "necessary pre-suppositions in any study of social relations" that he puts economics before sociology. The context shows that it is not the mathematical theories of final and total utility in their present form that Dr. Patten has here in mind, though his language would seem to include them. It is rather an expanded theory, in which the phenomena of initial utility can have full recognition. In fact, it is a theory of initial utility as conditioned by various kinds of free goods unequally distributed in the environment, that he is particularly thinking of as being scientifically antecedent to explanations of society. In other words, if I understand Dr. Patten rightly, he holds that the relation of the environment to utility, and especially to initial utility (the environment being conceived of as an irregular differentiation and distribution of free goods in space), presents a sufficient number of correlated problems to constitute a distinct science. From the paper on "The Failure of Biologic Sociology," I infer that he would put this science not only before sociology, but before psychology and even before biology as well.

This is an interesting thought, and I wish that Dr. Patten had done himself justice by stating it more explicitly, and at length. The suggested science, if constructed at all, would necessarily be the abstract and highly general science of the relations of physical, mental and social life, to the physical environment. It would be related to biology, psychology and sociology, just as, according to my conception, sociology is related to political economy (the science of market values), to jurisprudence, and to politics. If Dr. Patten constructs such a science he will compass one of the greatest scientific achievements of this or of any age. If, in addition, he persuades the scientific world to call this science by the general name economics, and to designate all more special economic studies by the older term, political economy, that too will be a noteworthy accomplishment. But he ought to put aside all excess of modesty and say explicitly that nobody

but himself ever before so conceived of economics, and admit frankly that the economics which other students have thought about, and which comes to mind when they see or hear the word, is a social science, grounded in sociology.

Let us now examine the second question: To what extent is utility antecedent to social relations?

It is evident that discussion has brought us to the point where we must decide whether we will use the word utility to mean a relation between some external thing or fact, on the one hand, and any advantageous change product within an organism, on the other hand, or whether we will restrict its meaning to a relation between an external thing or fact and an advantageous internal change of which the organism is at the moment conscious. This necessity confronts us whether we are talking about initial, final or total utility. To take an illustration: if a "dose" of guano be applied to a hill of Indian corn the plants will undergo an initial change, favorable in the sense of normal growth. Successive doses will effect further advantageous changes, but in lessening degree, until further doses would be wasteful or injurious. There is here no consciousness, no scale of pleasure, and, of course, no subjective utility. Yet the relations of the changes described, to the environment, to the supply of "goods," to various kinds of "goods," and so on, are evidently governed by laws like those that govern the phenomena of subjective utility. Shall we then not call the relation between "goods" and such organic changes by the word utility? I can see no good reason why we should not do so, provided we use a distinguishing adjective. "Physiological" would, perhaps, be as accurate as any. By physiological utility we would then mean a relation subsisting between an external thing or fact and a favorable organic change. By subjective utility we would mean a similar relation of which the organism is pleasurable conscious.\*

Of physiological utility so understood we can certainly have a theory, because all its phenomena admit of formulation in scientific law. No less certainly will the theory, when elaborated, be logically antecedent to the sciences of psychology and sociology. It will afford data by means of which these sciences can be made truly deductive in form.

I admit, then, that a theory of goods and of physiological utility is precedent to sociology. When in "The Theory of Sociology" I discussed the relation of utility to social relations, I was talking about subjective utility only. Moreover, when I said that "it can be shown that, apart from association there could never have been any such

\* Dr. Patten, I suppose, would not favor the use of the word utility in any but the subjective sense.

thing as subjective utility," I was talking about the subjective utility of recent and familiar economic discussion—namely, a consciousness of utility as varying in degree from "initial" to "marginal." A dawning consciousness of mere initial utility—that is, a recognition of the satisfaction afforded by a first-consumed portion of food, unaccompanied by any recognition of the lesser utility of succeeding portions,—must undoubtedly be assumed to be casually antecedent to social phenomena. But nothing that Dr. Patten has written, in his criticism or elsewhere, seems to me to invalidate the proposition that all subjective utility which is more than mere initial satisfaction, is a product of social evolution.

I ask the reader to remember that I took pains to argue that subjective utility is more than mere pleasurable feeling of any volume or degree, however small. To constitute subjective utility, I held, pleasure must be (1) voluminous enough to admit of appreciable distinctions of more and less, (2) it must be recognized as caused or produced by an external condition or thing. Having so defined my terms, I endeavored to prove that, (a) apart from suggestion, imitation and concourse, pleasurable feeling could not become quantitatively sufficient to admit of appreciable distinctions of more or less, and that, (b) apart from social relations, intellectual development must be inadequate for the perception of such distinctions.

In criticism Dr. Patten says that "this line of reasoning overlooks the fact that the failure to recognize degrees of utility may be due to the intensity of the pleasure, as well as to its lack of clearness and volume." I confess that it had not occurred to me, and that I do not now see that the fact said to be overlooked has any bearing on the question. Granting that intensity of feeling may destroy perception, I should suppose that, before feeling becomes too voluminous for appreciable distinctions of more or less, it must become at least voluminous enough.

My conclusions are inductions from observed facts. All animal life of which we have any knowledge, from protozoa to man, is in frequent contact with other animal life, of its own and of different species. Most of it exists in swarms, flocks or bands. Creatures of the most rudimentary consciousness are influenced in all their activities by contact with each other. The activity of each is suggestive and stimulating to others. Each imitates others. This is true of insects, of fishes, of birds, of mammals. Elaborate studies of mental evolution in animals, of the mental development of the human infant, and of the phenomena of hypnotism, all lead to the conclusion that suggestion and imitation are among the most important phenomena of dawning consciousness. In the struggle for food every individual of



every species is in large measure dependent on the discoveries made by fellow-creatures and on the instinctive tendency to imitate the successful. It is therefore certain that animal life could not have survived through its evolutionary infancy if individual isolation rather than association had been the rule. There certainly was a time when consciousness, as manifested in the animal life of this planet, was too rudimentary to distinguish degrees of utility. There certainly came a time when such distinctions began to be made. To overthrow my conclusions, then, the objector must establish the amazing assumption that during thousands, perhaps millions, of generations, animal organisms owed nothing to association.

Without appealing to observation, Dr. Patten puts forward an ingenious *a priori* theory. He assumes a stage in animal evolution in which there is no conscious distinction of successive degrees of utility; to this extent he agrees with me. But in that pre-social stage, he thinks, there is an intense consciousness of initial utility. Initial utility being so great, the creature experiencing it is necessarily anti-social, Dr. Patten supposes, because, although a hungry beast may have captured many times as much prey as he can eat, and could therefore share it with other beasts in a social way, he will yet attach the same value to the final increment that he attaches to the first. Only when he learns to distinguish degrees of utility will he tolerate the presence of a fellow-prowler, and so enter into social relations.

This is not only ingenious; it is plausible. At first glance it looks reasonable; but it will not bear examination. It offers no answer to the previous question: How could an isolated individual organism survive, and multiply its experiences, until a relatively high degree of consciousness was evolved? Worse yet, it offers no way out of a difficulty that Dr. Patten has raised for himself, namely, how does an isolated individual, that is too intensely conscious of initial utility to perceive any lesser degrees, presently become aware of marginal utility, and conclude to be sociable? Worst of all, it ignores the obvious, familiar and true explanation of the difficulty just named. The "being who has intense feelings" will not often be permitted to exploit his theory of initial utility to its marginal possibilities. Fellow-beings with similar tastes and feelings have a way of dropping in before the mental evolution of their host is completed, and of settling the question of toleration according to

"The good old way, the simple plan."

It is through repeated experiences with unbidden guests that animals, and men too, acquire a good deal of their knowledge of degrees of utility, very much as the fox in the fable discovered the marginal

utility of unattainable grapes. Another part of it, however, is acquired in a very different, but not less social, way, through the necessity of providing for brooding or nursing mothers and for the young.

But while it is impossible to believe that apart from association there could ever have been a conscious recognition of degrees of utility, and, therefore, impossible to believe that subjective utility as the term has been used and understood hitherto in economic discussion is antecedent to social relations, Dr. Patten is quite right in maintaining that some consciousness of initial utility is antecedent to social phenomena, both logically and evolutionally. If by the terms suggestion, imitation and association, we mean psychical, rather than merely physiological phenomena, we must, of course, admit that creatures capable of distinguishing each other, are capable of distinguishing food objects, and, therefore, of recognizing initial utilities. Consequently, if we are to extend the meaning of the term subjective utility to cover the phenomenon of a consciousness of initial utility unaccompanied by any recognition of degrees of utility—and I see no objection to doing so—I must modify my statement that “apart from association there could never have been any such thing as subjective utility.” I must say, instead, that apart from association there could never have been any subjective utility beyond a dawning consciousness of initial satisfactions.

As thus conceived, the theory of utility runs like a connecting thread through biology, psychology and sociology. In biology, we have the theory of physiological utility. In psychology, it becomes the theory of initial subjective utility. In sociology, it becomes the theory of subjective utility in quantitative degrees. Finally, when we encounter in human society the phenomena of conscious calculation and production of utilities, we have the material for a special social science, namely, political economy, the science of the social phenomena of a conscious calculation and production of utilities.

If, now, Dr. Patten can make abstraction of all the laws of utility, biological, psychological and sociological, and can put them together in a larger synthesis than has been attempted hitherto, he will create a general philosophy of the sciences of life—a formulation of the general principles from which their particular laws may be deduced. If such a philosophy can appropriate and thenceforth hold the name of “economics,” well and good. But it cannot be regarded as in any sense a “social” science. Dr. Patten cannot claim, as I think he has been disposed to do, that such an economics, rather than sociology, is the fundamental science of society. The economics of his conception is neither sociology, psychology, nor biology, but a logic which

is theoretically distinct from and preliminary to them all. The fundamental social science is sociology.

As the reader will have discovered, my own notions of utility and its relations to social phenomena have been made more definite by Dr. Patten's criticism. I am grateful to him for it.

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#### THE ORGANIC CONCEPT OF SOCIETY.

In a recent book \* Professor Small discusses and defends the organic concept of society and quotes certain passages from a paper † of mine to show how this concept has been misunderstood. I, in turn, might properly complain that my meaning has been misconstrued. There is, however, nothing to be gained in joining an issue on so technical a point. If Professor Small's book had appeared in advance of my paper, I would have gladly referred to it for a statement of the doctrines to which I take exception. His book strengthens rather than weakens my opposition to the use of biologic analogies in the discussion of social questions. A clear and definite statement of a false position often exposes its weakness.

The organic concept of society finds its chief strength and support in the phenomena of co-operation. On every side we see some form of division of labor; families unite for common ends, industries are co-ordinated on a large scale, villages, cities and even nations become organized parts of a larger whole, and in this way is built up the vast complexus that is commonly called the industrial organism. Accepting this industrial organism as a fact, it is necessary to inquire into its cause. Is it a part of the nature of things, the outcome of purely social forces or is it due to the objective conditions which surround society? Evidently the latter. Certain peculiarities of soil and climate give certain localities the advantage in particular forms of production, certain deposits of iron, coal and other minerals give an advantage to other localities in these industries and certain other peculiarities of matter and of the crust of the earth give a great advantage to serial production—to round-about methods—as opposed to direct production.

The complex economic world is the outcome of the influence of these objective conditions upon the choices of individuals under these conditions. Each individual becomes a part of the economic mechanism in order to increase his sum of utilities and to decrease his costs.

\* "An Introduction to the Study of Society," by A. W. Small and G. E. Vincent. New York: 1894.

† "The Place of University Extension," *University Extension*, February, 1894.



From no point of view is society more truly "organic" than in its economic aspect. If then the organic concept is serviceable at all in social science it should be so to the economist, whose duty it is to explain the phenomena of co-operation. Economists, however, reject the organic concept of society and prefer to deduce their economic laws from the theory of utility and the facts of the objective world. The individual, even though a unit in a complex mechanism, is still merely an individual having his choices determined by utilitarian motives and by objective conditions. Differences in men, whether mental or physical, are due to the effects of these objective conditions, to which men must adjust themselves in the several local environments. Isolated men or groups have their choices limited by the opportunities of the local environment. The characters and habits of individuals hemmed in by a narrow environment become so differentiated from those of other persons adjusted to other local conditions, that distinct nations or races are formed in each section of the world. Even when large economic aggregates are formed by the massing of people in particular localities the same objective conditions continue the differentiating process. The various types of men attracted to the locality by its favorable conditions find a place for themselves, and additional types of men are evolved through the pressure created by the struggle for existence. During the first stages of a civilization, while choices are determined solely by objective conditions and strictly utilitarian motives, this process of differentiation continues, and the economic aggregate assumes more and more the character of an organism. If an economic aggregate were the highest possible type of a society and a conscious utilitarianism were the only standard for action, there would be some justification for a biologic concept of society. No progress would be possible except through a greater differentiation of individuals and a closer interdependence of the parts. Each individual would lose his mobility and would tend to become a mere cell in a particular part of the social organism.

These economic forces, however, are not the true social forces. The latter counteract the effects of the economic forces and make men equal, mobile and similar in mental and physical characteristics. They take men out from under the domination of local, objective conditions and create a common subjective environment which prevents the differentiation of individuals and the growth of the organic tendency in society. Laws, customs, habits, democratic feelings, ethical ideals and the other phenomena which constitute the subjective environment tend to eradicate those mental and physical peculiarities due to local, objective conditions, and to blend the different races of men into a common type. The forces of the objective environment create

immobility, inequality and subordination among individuals. Those of the subjective environment create mobility, equality and freedom.

The organic concept of society has its origin in an undue emphasis of the economic elements of social progress. The phenomena of a growing economic aggregate are studied while the true social forces which transform economic aggregates into real societies are neglected. Such studies always give a wrong concept of social progress and lead usually to a bad system of economics as well.

No better example of the evil results springing from the use of this method can be found than in the work upon which I am commenting. The whole of the second book is given up to a description of the growth of a Western city from its first settlement until the present time. It is implied that this description illustrates all the various phases of social structure and activity. In reality, however, it gives nothing but a picture of the growth of an economic aggregate. It is the economic and not the social structure that is analyzed. The influence of the division of labor on a growing population and the stratification of society which results from the movement of various types of men into a new region receive due emphasis. If, however, we compare the social ideas of the first settlers\* or of the rural group with those of the citizens of the city it will be seen that there has been in this respect a loss rather than a gain. The area of common action and impulse has been lessened and strictly utilitarian motives have displaced the higher ideals which brought the first settlers into the locality and bound them together. The city cannot be aroused to united action so easily as the rural community. Economic motives and organic tendencies have gained prominence at the expense of social progress. Rapid economic integration has caused social disintegration.

A false concept of social growth is given by such a picture and false ideals are inculcated which do immeasurable harm. Under the pretext of describing social growth and structure, a picture of a growing economic aggregate is presented under conditions where the truly social bonds are being weakened by the dominant economic forces. The errors of socialism are mainly due to picturing such economic aggregates as though they were true societies and representing them as exemplifications of the normal tendencies of social progress. Socialists would have us believe that these organic tendencies are the necessary outcome of social progress and that we should give up what little freedom and mobility remain to us in our present economic aggregates and become like a real organism with diverse functions and immobile cells.

The emphasis of organic analogies tends to strengthen such ideals,

\* Pp. 101-104.

and to cause us to lose sight of the true social forces. If the development of the region had been through the natural growth of population instead of through immigration, the growth of social forces could have been observed. New customs, laws, rights, duties and ideals would develop to prevent the stratification of society. The differences between individuals would be lessened, and their mobility and freedom would be increased. If these social forces had complete sway the organic cell would disappear, and the individual would be freed from the domination of the local peculiarities of the objective environment.

Professor Small thinks that, in using the term "race knowledge," I unconsciously adopt the organic concept of society. This, however, overlooks the distinction I am trying to make. Race knowledge lies entirely in the individual, and is a social force only because each individual projects it and makes it a part of his environment. A subjective environment is thus created which supplements the objective environment.

A teamster, seeing a stone in the road, turns out for it; shortly after he meets a wagon, and also turns out for it. Is not the motive the same in both cases, and are not also both choices purely personal? In the one case he has a knowledge of stones, in the other a knowledge of certain social regulations, but in both cases the knowledge plus certain utilitarian considerations determines his action. The choice in the one case is as purely individual as in the other.

If we ask why he projects this social regulation, and acts on it as though it were a natural law, we have to consider past conditions and not present realities. Social laws are of slow growth, and due to the psychical changes in individuals. However, to an individual under given conditions, these social laws are as real and objective as are natural laws. Present forces are either in individuals or in the environment, and they alone have any influence on the choices of individuals. Society is the result and not the cause of the action of individuals. Society *is* when its members project the same subjective environment, and thus are led to make the same choices. Its force increases or decreases according as the subjective environment grows or diminishes. It stands between individuals and nature, and measures their power over nature.

The fundamental distinction here is the difference between an organism and its environment. The one implies the other. Every one admits that the individual is an organism, and that there is an objective environment to which it must adjust itself. I think all will agree that the individual and the objective world are not the sole factors in social progress. The habits, customs, rights and duties



which bind individuals into a society imply another element which must be analyzed into a super-organism or into an additional environment. On the one hand, we can conceive of a social will lying back of the individual wills through which the actions of individuals are co-ordinated and combined into a general volition. These social choices plus the choices of individuals blend into one organism, which stands opposed to the objective environment of society. On the other hand, we can conceive of individuals as the sole organisms, and that the objective environment is supplemented by a new environment through the habitual actions of these individuals. Each individual creates his own subjective environment to supplement the objective environment with which he is in contact. Whenever the objective conditions and the pressure of utilitarian motives are the same for a group of individuals, they project the same subjective environment, and thus form a society.

The advantage of the latter concept consists in its simplicity. It does not call for any powers, functions or activities beyond those found in individuals or in the objective world. The subjective environment is merely the outcome of familiar forces in a new form. Even in the objective world the secondary qualities are projected and visualized by the individual. Color, for example, adheres not in the object, but is placed there by the observer. The same faculty is utilized by the individual to objectify his habitual choices. He thinks of them as adhering in the object although created by himself.

The thought of a super-psychology is largely due to the wrong notion of psychology we have inherited from the English empirical philosophers. They held it as a goal of progress, if not as a present reality, that all motives should be strictly utilitarian—a conscious measuring of pleasures and pains. Habits, customs, natural rights and ideals were to them remnants of primitive times and should have no influence on the choices of rational beings. Their psychology overlooked all elements but those of a conscious calculating utilitarianism. They assumed that the individual freed from social tyranny was incapable of other motives and feelings than those which their philosophy recognized. In this way individual psychology came to be used to designate the type of psychology these philosophers had in mind. It might better have been called utilitarian psychology in contrast to race or social psychology. The one type shows the influence of an internal principle—utility—on the development of the psychical instincts, the other shows the influence of external conditions on the same development. All psychology, however, is individual and rests on the same ultimate principles, no matter whether the social or utilitarian elements are dominant.

The biologic sociologists have accepted this utilitarian concept of psychology as being the true psychology of individuals and try to create a super-psychology out of the social elements neglected by the utilitarian philosophers. They confuse the concrete individual of society with notions which these philosophers had of this individual and therefore assume that all psychical elements not recognized by these philosophers belong to a super-organism back of the individual to which all social forces are due. This false step makes a super-psychology a necessity and compels its advocates to use many artificial and forced analogies in order to convince the reader that social phenomena differ radically from those of individual activity.

The errors of the biologic sociologists are due to a wrong concept of the hierarchy of the sciences.\* Making sociology follow directly after biology, they overlook the fact that at least three important bodies of knowledge lie back of sociology and separate it from biology, the theory of goods based on objective conditions; the theory of utility, and the theory of social forces. The organic tendencies of society lie mainly in the first of these fields—the conditions of the objective environment. If then the latter two theories are neglected, and the sociologist limits his studies to primitive societies, mere economic aggregates, where the conditions of the objective environment are dominant, he seems to prove the organic nature of society. As soon, however, as the theory of social forces is developed, and the importance of the subjective environment recognized, the defects of the organic concept of society become apparent and a new concept must be created in which, especially for the higher forms of society, the first place must be given to the forces creating the subjective environment.

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PROFESSOR J. B. CLARK'S USE OF THE TERMS "RENT" AND  
"PROFITS."

The paper on "Rent and Profit" by Dr. C. W. Macfarlane in the July ANNALS is of much interest for the clearness with which the concepts of "marginal" and "differential" rent are distinguished, as well as for the attempt to crystallize the distinction in the suggestive, but hopelessly awkward terms, "price-determining" and "price-determined" surplus.

Dr. Macfarlane's detailed criticisms are less satisfactory—the case against Professor J. B. Clark being signally inadequate. The plausible contradiction found in Professor Clark's saying "of one and the same thing that it is the more useful type of *true rent*, and again, that it is

\* See "Failure of Biologic Sociology," ANNALS, May, 1894.

a sort of *mock rent*,"\* arises from mere neglect of context. Professor Clark's very obvious meaning, in the one place, is that the differential gain resulting from the application to fertile soil of labor alone is a more useful type of true rent than when labor and capital conjoined are so applied;† but that, on the other hand, this gain is a "mock rent" in that the product imputable to the final increment of labor in agriculture is not physically determined, but is imposed from without, in accordance with the product imputed to marginal labor in the general industrial field. In other words, "in the strict sense of terms the rent of land is not a differential product," because the base line or subtrahend of the differential is not independently located, but is adjusted to that prevailing in the wider field of industry.‡

Similar exception may be taken to Dr. Macfarlane's fundamental charge that Professor Clark is betrayed into including both "differential rent" and "pure profit" under the general term "rent." The contention would have force were Professor Clark's position in fact, as Dr. Macfarlane has interpreted it, viz. : that in an unbalanced condition of industry favorable to agriculture, "there will accrue to the employer of laborer, and *later to the owner of land*, a surplus equal to the difference between the productivity of labor in this special branch of industry, and its productivity in that branch in which it is least productive, since the rate of wages is set by the latter."§ The fallacy of Dr. Macfarlane's criticism appears in the phrase italicized, "and later to the owner of land." It is of the very essence of Professor Clark's thought that the temporary surplus due to dynamic changes in group industry constitutes the reward of the entrepreneur function, and that it reverts to the owner of land only when this agent is at the same time the employer of labor and capital, just as, under parallel conditions, wages and interest would be merged.|| With functions rigidly differentiated, pure profit passes from the entrepreneur only to be annihilated as a fund by dissipation among consumers. The very agency by which transference of profit to the owner of land might be effected—the competition of added entrepreneurs—causes an influx of labor and capital into agriculture, a consequent reduction of marginal productivity in the favored group to that prevailing in the general field, and the disappearance of pure profit as a distinct fund. To arrive at the result stated by Dr. Macfarlane, we should have to

\* ANNALS, July, 1894, p. 98.

† *Quarterly Journal of Economics*, April, 1891, p. 304.

‡ *Ibid.*, pp. 307-310.

§ ANNALS, July, 1894, p. 99.

|| See in particular "Profits under Modern Conditions" in Clark and Giddings' "Modern Distributive Process." Boston: 1888.



regard agriculture as an isolated industrial group, with a dynamic gain petrified into a permanent group advantage by the exclusion of all additional industrial factors, save bare-handed captains of industry.

In another connection the present writer hopes to inquire whether the recognition of a marginal rent in distribution, distinct from an ordinary differential surplus, as urged by various writers, certain of whom Dr. Macfarlane has cited, is not erroneous in analysis, and, as applied to theories of production and distribution, misleading in practice.

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## PERSONAL NOTES.

### AMERICA.

**Central University.**—Mr. Christopher Lester Avery, Jr., has been appointed Professor of History and Political Science at Central University, Richmond, Ky. Mr. Avery was born at Groton, New London County, Conn., on September 4, 1873, and received his early education through private instruction, with the exception of two years which he spent at the Norwich Academy. In 1893 he graduated from the academic department of Yale with the degree of A. B. Since leaving Yale he has been connected with the Central University holding the position of Assistant in History until his present appointment.

**Columbian University.**—Dr. James Clarke Welling, President of the Columbian University of Washington, died of heart disease at his residence in Hartford, Conn., on September 4, 1894. He was born in Trenton, N. J., on July 14, 1825. He was educated at Princeton College, where he graduated in 1844. He then studied law, but renounced that profession in 1848 to become an Associate Principal of the New York Collegiate School. In 1850 he went to Washington as literary editor of the old *National Intelligencer*, of which in 1856 he became the chief manager.

His editorship continued through the most of the Civil War. Adhering to the old-line Whig party, he supported the Bell and Everett ticket in 1860, but gave to the war for the Union his loyal support, advocating Lincoln's proposition of emancipation with compensation to loyal owners, the abolition of slavery in the District of Columbia, and its abolition throughout the Union by constitutional amendment; but he questioned the validity of the emancipation proclamation, and strenuously opposed the constitutionality of military commissions for the trial of citizens in loyal States.

The discussion of these and similar questions in the *National Intelligencer* during this period often took the form of elaborate papers on questions of constitutional or international law.

Dr. Welling withdrew from journalism in 1865 and spent the following year traveling in Europe. He had been previously appointed a clerk of the United States Court of Claims, but resigned that office in 1867, when he was installed as President of St. John's College, at Annapolis, Md. In 1879 he was appointed Professor of Belles Lettres in Princeton College, but resigned that post in the following year to

accept the Presidency of Columbian College, now known as Columbian University. Under his able and energetic administration that institution was greatly enlarged, received a new charter from Congress, erected a building in the heart of Washington, and laid the foundation of a free endowment.

At the same time he was connected with many literary, historical and scientific societies. He was President of the Board of Trustees of the Corcoran Gallery of Art since 1877. In 1884 he was appointed a regent of the Smithsonian Institution, and soon afterward he was elected Chairman of its Executive Committee. He was an active member of the Philosophical and Anthropological Societies of Washington. In 1884 he was chosen President of the former. He was President of the Copyright League of the District of Columbia. From 1890 to 1894 he was a member of the Council of the American Academy of Political and Social Science. In 1868 he received the degree of LL. D. Despite his activity in so many directions, he found time to contribute frequently to periodicals.

**Cornell University.**—Dr. W. F. Willcox\* has been advanced from the position of Assistant Professor to that of Associate Professor of Social Science and Statistics at Cornell University.

**University of Denver.**—Dr. James Edward Le Rossignol has been appointed Professor of History and Political Economy at the University of Denver, Colo. He was born in Quebec, Canada, on October 24, 1866. He attended the public schools in Quebec and Montreal, and in 1884 entered McGill College in Montreal, from which he graduated in 1888 with the degree of A. B. The following year he taught in the Montreal public schools, and in 1889 went to Leipzig to pursue post-graduate studies. He remained abroad until 1892, receiving the degree of Ph. D., from the University of Leipzig. The spring of that year he studied at the Clark University, Worcester, Mass. Dr. Le Rossignol was then appointed Professor of Psychology and Ethics at the Ohio University, at Athens, taking also the work in Political Economy. This position he resigned to go to Denver.

He has written :

"*The Ethical Philosophy of Samuel Clarke.*" Pp. 100. Leipzig, 1892.

"*The Training of Animals,*" American Journal of Psychology, Vol. V, No. 2, 1892.

"*Malevolence in the Lower Animals,*" Ohio University Bulletin, 1893.

**De Pauw University**—Professor James Riley Weaver, who has held the chair of History and Political Science at De Pauw University,

\* See ANNALS, vol. ii, p. 364, November, 1891.



Greencastle, Ind., has been made Professor of Political Science. Mr. Weaver was born at Youngstown, Westmoreland County, Pa., on October 21, 1839. His early education was obtained in the public and private schools of the county and the county normal school. In 1863 he graduated, with the degree of A. B., from Allegheny College, Meadville, Pa., having studied there for two years. In 1865 he received the degree of A. M. from the same college. The year 1865-66 he studied at the Methodist General Institute, at Concord, N. H., and the following year at the Garrett Biblical Institute, of Evanston, Ill., receiving in 1867 the degree of S. T. B. Professor Weaver spent the next two years in teaching, first as Principal of Dixon Academy, Illinois, and then as Professor of Mathematics and Military Science at the West Virginia University. For the next sixteen years he was a member of the United States consular service. The years 1869 and 1870 he was Consul at Brindisi, Italy, the years 1870-79 he was Consul at Antwerp, Belgium, and the years 1879-85 he was Consul-General at Vienna, being also Secretary of the Legation and Chargé d'Affaires during 1882-83.

In 1885 he returned to the United States and became Professor of Modern Languages at De Pauw University. The following year he was made Professor of History and Political Science.

Professor Weaver is a member of the American Economic Association and the American Academy of Political and Social Science.

**Harvard University.**—Dr. Freeman Snow, Instructor in International Law at Harvard University, died on September 12, 1894. Dr. Snow was born on April 16, 1841, at Ellicottville, Cattaraugus County, N. Y. His early education was obtained in the public schools of New York State and at Phillips Academy at Andover. He entered Harvard University in 1869, and graduated in 1873 with the degree of A. B. From 1873 to February, 1876, he was Assistant Professor of History and Law at the U. S. Naval Academy. From February to July, 1876, he was a Master in the Boston Latin School. The next four years he spent in post-graduate study, during 1876-77 at Harvard, and during 1877-80 at Berlin, Heidelberg and Paris. He received in 1877 the degree of Ph. D., from Harvard, having also received the degree of A. M. from that institution. From 1880 to 1884 he was Instructor in History and Forensics at Harvard and from 1886 to the time of his death, Instructor in International Law. During 1887-91, he studied at the Harvard Law School, and received in 1891 the degree of L. L. B.

Dr. Snow was a member of the American Historical Association. He wrote :

"*A Guide to the Study of the Constitutional and Political History of the United States, 1789-1860.*" Pp. 258. 1883.

"*A Review of the Fisheries Question.*" Forum, December, 1887.

"*Legal Rights Under the Clayton-Bulwer Treaty.*" Harvard Law Review, May, 1889.

"*A Defence of Congressional Government.*" Papers of the American Historical Association, July, 1890.

"*The New Orleans Riot,*" Christian Register, April 16, 1891.

"*The Chilean Embroglio.*" Harvard Monthly, February, 1892.

"*Cabinet Government in the United States.*" ANNALS, Vol. II, July, 1892.

"*Annexation of Hawaii.*" Harvard Monthly, 1893.

"*Cases and Opinions on International Law.*" Pp. 626. Boston : 1893.

"*A Selection of Treatises and Documents for the Study of American Diplomacy.*" Pp. 450.

**Haverford College.**—Mr. Rufus M. Jones has been appointed Instructor in History at Haverford College. He was born January 25, 1863, at China, Kennebec County, Me. He studied at the Oak Grove Seminary, at Vassalboro, Me., and at the Friends' Boarding School, Providence, R. I. He entered Haverford College, graduating in 1885 with the degree of A. B. The following year he received the degree of A. M. from Haverford. He then went abroad for one year to study in France and Germany. Upon his return he became teacher in Modern Languages and American History in the Friends' Boarding School, at Providence. After two years here (1887-89), he became principal of the Oak Grove Seminary, where he remained four years (1889-93).

Mr. Jones is editor of *The American Friend*, and has written :

"*History of Friends in Kennebec County, Maine.*" Pp. 30.

"*Life and Work of Eli and Sybil Jones.*" Pp. 300.

**University of Illinois.**—Dr. Evarts Boutell Greene has been appointed Assistant Professor of History in the University of Illinois. He was born July 4, 1870, at Kobe, Japan, and attended a private school in Yokohama, Japan, and public schools in Westborough, Mass., and Evanston, Ill. In 1885 he entered the Northwestern University at Evanston, where he remained three years. In 1888 he entered Harvard University, and, two years later received the degree of A. B. He pursued post-graduate work at Harvard for three years (1890-93) and at the University of Berlin for one year (1893-94). He received from Harvard the degree of A. M. in 1891, and that of Ph. D. in 1893.\*

\* See ANNALS, vol. iv, p. 313, September, 1893.

During 1892-93 he was Assistant in History at Harvard, and during the past year he held the Harris Fellowship in History.\*

**Iowa State University.**—Mr. Charles Beardsley, Jr., has been appointed Instructor in Economics at the State University, Iowa City, Ia. He was born December 26, 1867, at Burlington, Iowa, and attended the Burlington Grammar Schools and the Washington (D. C.) High School. In 1888 he entered Harvard University, and graduated in 1892 with the degree of A. B. During 1892-93 he was officially connected with the Charity Organization Society of Burlington, Iowa, and he spent the past year in graduate study of economics at Harvard.

**Kansas State Agricultural College.**—Mr. Thomas Elmer Will has been appointed Professor of Economics at the State Agricultural College, Manhattan, Kans. He was born November 11, 1861, at Stone's Prairie, Adams County, Ill. His early education was obtained in the local schools of Plainfield and Roanoke, Ill., and Carroll County, Mo. From 1880 to 1882 he taught school at Roanoke. He then studied for three years at the State Normal University, Normal, Ill. The next year (1885-86) he taught at Lacon, and Golconda, Ill., passing the State teachers' examination in 1886. From 1886 to 1888 he taught in the public schools of Springfield, Ill., and then in 1888 entered the University of Michigan. After one year he went to Harvard where he studied for two years, receiving in 1890 the degree of A. B., and in 1891 the degree of A. M. The latter year he held the Henry Lee Fellowship in Political Economy. The two years following, Mr. Will was Professor of History and Political Science, at Lawrence University, Appleton, Wis. During the past year he has been delivering courses of lectures in Boston, on Social Economics, and has held the position of Secretary and Treasurer of the Boston Union for Practical Progress. Most of his writings, a list of which are given below, have been in connection with his work as Secretary of this Union. They are:

"*The Social Organism*," Chicago Voice, July, 1892.

"*The Single Tax*," Good Form, March, 1893.

"*The Study of History*," Chicago Voice, June and July, 1893.

"*Rent: Its Essence and its Place in the Distribution of Wealth*," Arena, December, 1893.

"*The Sweating System in Boston*," Pp. 20. Boston, 1894.

"*Eighteen Lectures on Social Economics*," Pp. 77. Boston, 1894.

"*Child Slavery in America*," Arena, June, 1894.

"*Public Parks and Play Grounds*," Ibid., July, 1894.

"*The City Union for Practical Progress*," Ibid.

\* Ibid., p. 315.



"*Criminals and Prisons*," Ibid. August, 1891.

"*Municipal Reform*," Ibid., September, 1894.

"*The Problem of the Unemployed*," Ibid., October, 1894.

"*Political Corruption*," Ibid., November, 1894.

**Leland Stanford Jr. University.**—Dr. George Kriehn\* has been appointed Assistant Professor of Social and Institutional History, at the Leland Stanford Jr. University. He has recently written :

"*English Popular Upheavals in the Middle Ages*," Proceedings of the American Historical Association, 1893.

**Mrs. Mary E. B. Roberts Smith** has been appointed Assistant Professor of Social Science at Leland Stanford Jr. University. She was born October 28, 1860, at Kingsbury, Ind., and obtained her early education chiefly under private tutors. In 1877 she entered Cornell University and graduated with the degree of Ph. B., in 1880. The following year she was employed on the *Rural New Yorker*, and in 1881 returned to Cornell for graduate study, receiving in 1882 the degree of M. S. From 1882 to 1884 she taught history in the Washington (D. C.) high school, and from 1884 to 1886 was co-principal and teacher of history in Miss Nourse and Miss Roberts' School for Young Ladies, in Cincinnati, Ohio. From 1886 to 1890 she was Instructor in History and Economics at Wellesley College, being also during 1888-90, Registrar and Secretary of the Board of Examiners.

**Massachusetts Institute of Technology.**—Mr. John Osborne Sumner has been appointed Instructor of History at the Massachusetts Institute of Technology. He was born in Boston on November 26, 1863, and was educated in the private schools in Boston and under private tutors. He then entered Harvard, and graduated in 1887 with the degree of A. B. The following year he took post-graduate work at Harvard, receiving the degree of A. M. He then went abroad, remaining about five years, most of the time in Germany. He studied for six semesters at the University of Berlin. Mr. Sumner is a member of the American Historical Association and of the Virginia Historical Society. He has written :

"*Materials for the History of the Southern Confederacy*," Proceedings of the American Historical Association, 1889.

**University of Pennsylvania.**—Dr. John Quincy Adams† has been advanced to the position of Assistant Professor of Political Science in the Wharton School of Finance and Economy. In 1892 Dr. Adams was elected Secretary of the Association of Colleges and Preparatory

\* See ANNALS, vol. iv, p. 460, November, 1893.

† See ANNALS, Vol. iii, p. 373, November, 1892.

Schools of the Middle States and Maryland, a position which he still retains, and in February, 1894, he was elected General Secretary of the American Academy of Political and Social Science.

Dr. Samuel McCune Lindsay has been appointed Instructor in Sociology in the Wharton School of Finance and Economy. Dr. Lindsay was born in Pittsburgh, Pa., on May 10, 1869. His early education was obtained in private and the public schools of Philadelphia. In 1885 he entered the University of Pennsylvania and graduated in 1889 with the degree of Ph.B. The following two years he spent in post-graduate work at the University of Pennsylvania, teaching also during the winter of 1890-91 in Mr. George F. Martin's School. In 1891 he went abroad and studied at the Universities of Halle, Berlin, Vienna, (1891-92), Rome (1893), Vienna (1893) and Paris (1893-94). During 1892-93 at the request of the United States Senate Finance Committee, he collected the German and English price quotations embodied in their report on wholesale prices.

Dr. Lindsay is a member of the British Economic Association, of the American Economic Association and of the Council of the American Academy of Political and Social Science.

Besides contributions in the *Nation* and in Palgrave's "Dictionary of Political Economy," he has written :

"*Die Silberfrage in den Vereinigten Staaten.*" Conrad's Jahrbücher. Third Series, Vol. III, 1892.

"*Die elfte Volkszählung der Vereinigten Staaten Nordamerikas.*" Ibid. Third Series, Vol. IV, 1892.

"*Social Work at the Krupp Foundries,*" ANNALS. Vol. III, Nov. 1893.

"*Die Preisbewegung der Edelmetalle seit 1850.*" Pp. 54. Halle, 1893.

"*Die Preisbewegung der Edelmetalle seit 1850 verglichen mit der andern Metalle, unter besonderer Berücksichtigung der Produktions- und Konsumtionsverhältnisse.*" Pp. 219. Jena, 1893.

**Swarthmore College.**—Dr. William Isaac Hull\* has been appointed to the Joseph Wharton Professorship of History and Political Economy, at Swarthmore College. In 1892 he received his degree of Ph. D.† from Johns Hopkins University. During the past year he was elected to the Council of the American Institute of Christian Sociology and to the Council of the American Academy of Political and Social Science. Dr. Hull has recently written as co-editor with W. H. Tolman:

"*Hand-Book of Sociological References for New York,*" Pp. 230. New York, 1894.

\* See ANNALS, vol. iii, p. 90, July, 1892.

† See ANNALS, vol. iii, p. 241, September, 1892.

**Syracuse University.**—Mr. Delmer Edward Hawkins has been appointed Instructor of Political Science at Syracuse University (N. Y.). He was born at Moores, Clinton County, N. Y., on June 11, 1868. His early education was obtained at the Moores High School and the Cazenovia (N. Y.) Seminary. He studied at Syracuse University, graduating in 1894 with the degree of A. B.

**Wesleyan University.**—Dr. Alfred Pearce Dennis has been appointed Associate Professor of History at Wesleyan University, Middletown, Conn. Dr. Dennis was born at Beverly, Worcester County, Md., on June 10, 1869. He attended school at Princess Anne, Md., and the Blair Academy, Blairstown, N. J. He graduated from Princeton University in 1891, receiving the degree of A. B. The following<sup>†</sup> three years he spent in post-graduate study at Princeton, holding a Fellowship in History in 1891-92, and a University Fellowship in Social Science, in 1892-93. During these three years he filled also the position of Lecturer in History at the Evelyn College for Young Women, at Princeton, and he was Instructor in History at Princeton University during 1892-94. He received from the same University the degree of A. M. in 1893, and of Ph. D. in 1894.

Professor Dennis is a member of the Princeton Philosophical Club. On the two hundredth anniversary of the removal of the State capital, he delivered an historical address at Annapolis, Md., on "*The Catholic and Puritan in Maryland*," which has been published by the Legislature.

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IN ADDITION to those previously mentioned,\* the following students received the degree of Doctor of Philosophy for work in political and social science and allied subjects during the past year :

**University of California.**—Louis T. Hengstler, A. M. Thesis: *The Development of English Individualism During the Second Half of the Eighteenth Century*.

**University of Pennsylvania.**—Herbert Friedenwald, A. B. Thesis: *The Bounty System of the American Revolution in 1775 and 1776*.

IN ADDITION to those previously mentioned,† the following appointments to fellowships and post-graduate scholarships have been made for the year 1894-95 :

**University of California.**—*Fellowship in Political Economy*, Clarence Woodbury Leach, Ph. B.

**University of Minnesota.**—*Fellowship in American History*, Frank M. Anderson, A. B.

\* ANNALS, vol. v, p. 282, September, 1894.

† *Ibid.* p. 283.



University of Pennsylvania.—*Wharton School Fellows*, Lyman P. Powell, A. B.; Benjamin F. Shambaugh, B. L., and Edward T. Devine, Ph. D.

## GERMANY.

Halle.—Dr. Robert Friedberg was appointed Ordinary Professor of the Political Sciences at Halle on July 31, 1894. He was born in Berlin, June 28, 1851, and received his early education in the Louiseustädtische Realschule (1859-66) and the Köllnische Gymnasium (1866-71) of that city. He studied law and political science at the Universities of Berlin, Heidelberg and Leipzig from 1871 to 1875, receiving the degree of Ph. D. at the last named institution in 1875. After two years spent in travel in France and England, he became Privatdozent for Political Economy in Leipzig in 1877. In 1884 he transferred to Halle, where, in 1885, he received an appointment to the newly created Extraordinary Professorship for the Political Sciences, which he has since occupied. Since 1886 he has represented Halle and the Saale District in the Prussian House of Representatives, and since 1893 the second election district of the Duchy of Anhalt in the Reichstag. Professor Friedberg is a member of the National Liberal party.

In addition to numerous reviews in Zarucke's *Litterarischen Centralblatt* and Conrad's *Jahrbüchern*, Professor Friedburg has written :

"*Die Börsensteuer*," Berlin, 1875.

"*Die Besteuerung der Gemeinden*," Berlin, 1877.

"*Vorschläge zur technischen Durchführung eines prozentualen Börsensteuer*," Jena, 1882.

"*Zur Theorie der Stempelsteuer*," Conrad's *Jahrbüchern*, 1878.

"*Die Italienische Mahlsteuer*, Ibid., 1884.

"*Das Reichsbörsensteuergesetz*," Ibid., 1885.

"*Zur Reform der Gemeindebesteuerung in Preussen*," Ibid., 1892.

## BOOK DEPARTMENT.

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### REVIEWS.

*American Street Railway Investments.* A supplement to the *Street Railway Journal*. Pp. 155. Published annually. New York: Street Railway Publishing Co., 1894.

*Manual of American Water-Works, 1890-91.* Edited by M. N. BAKER, Ph.B. Pp. 384. Price, \$3.00. New York: Engineering News Publishing Co., 1892.

Students of municipal administration and finance have complained, and not without justification, of the lack of trustworthy material. The various year-books, annuals and manuals, published by foreign cities, have been held up to us as models of concise statement and scientific arrangement, both as regards the financial and administrative facts of municipal development. Although very few of our larger cities have as yet attempted such a compilation, the increasing comprehensiveness of the regular department reports soon promises to give us adequate material for the pursuit of monographic work, from which alone we are to expect the solution of some of the most difficult of our problems.

During the last few years a number of manuals and compendia have appeared which, although attracting but comparatively little attention outside the circles immediately interested, contain some of the most valuable information concerning the condition of our municipalities. Perhaps the most instructive feature common to all is the readiness with which the material lends itself to comparative study.

"American Street Railway Investments" gives us information concerning more than one thousand street railway companies operating in upwards of six hundred cities and towns. For cities of 50,000 inhabitants and more, such additional statistics are given as will give a general idea of their financial condition and industrial development. A large number of maps tracing the street railway systems in the larger cities add both to the interest and value of the work.

As regards any general conclusions which this vast fund of statistics may warrant, it can hardly be said that they are either numerous or very important. This is due to the one grave defect of an otherwise model publication, namely, the absence of all information concerning the relations existing between the public transportation companies and their respective municipalities. The book was not intended for students of the subject; but even from the standpoint of the investor

one would very naturally suppose that the great differences in the method of dealing with such companies would be very material to any question of financial standing. There can be but one explanation to this almost inexcusable omission, namely, that American municipalities, as a rule, impose few financial burdens upon street railway companies, and even where the contractual obligations seem to indicate an adequate return for the franchises granted, such obligations are seldom enforced.

One fact which is brought out with unmistakable clearness is the rapid process of consolidation which is concentrating the street railway lines in all our great cities in the hands of a few large corporations. Thus, in Philadelphia, two companies control 297 of the total of 372 miles of street railway; in New York, 213 of a total of 396. That this consolidation will greatly simplify the question of municipal control over such companies there can be no question. That it is for the moment favorable to an undue abuse of power by these gigantic corporations is no less a matter of universal experience. Without entering into any discussion of probable future development, the clear recognition of our present condition with all its advantages and abuses is the first step toward a more rational and economic solution of the problem of transportation by our municipalities. We must first grasp its purely financial bearings. The questions of social policy are for a subsequent period in our development.

The volume on "American Water-Works," of which the first number appeared in 1888, performs the same service for this department of municipal government as does the above work for the question of public transportation. Nearly 2000 cities and towns are included with almost every variety of municipal and private ownership. The information concerning the water supply in our larger cities indicates an initial sacrifice of natural facilities with subsequent attempts to regain the ground lost through these errors. The vast range of territory covered will naturally make this work a guide to more detailed research rather than a storehouse of available material.

L. S. ROWE.

*University of Pennsylvania.*

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*Restrictions upon Local and Special Legislation in State Constitutions.* By CHARLES CHAUNCEY BINNEY. Pp. 195. Price, \$1.50. Philadelphia: Kay & Bros., 1894.

Rudolph von Gneist, in his "Self-government" (*"Kommunalverfassung und Verwaltungsgerichte"*), speaks of the influence of the English judiciary on the development of local institutions in England. The history of political institutions in the United States is, in



many respects, an intensified continuation of the same development. The importance which this question of the influence of judicial decisions has assumed within recent years is due to two causes prominent in contemporaneous political life.

In the first place, there is the growing distrust of all representative, and more especially legislative, bodies, which the experience with State Legislatures has to a considerable extent justified. It is only necessary to refer to the recent address of Mr. Moorfield Storey before the American Bar Association for a definite expression of this feeling. Given these conditions, with but little immediate prospect of betterment, it is only natural that attention should be directed to all those restrictions upon legislative action embodied in constitutional provisions, and in the attitude of the courts toward legislative enactments. The second circumstance which has contributed in no small degree toward the present interest in these questions is the growing importance of all our problems of local government; more especially in their relation to the State Legislatures. Much of the time of the recent New York Constitutional Convention has been devoted to this subject, and all those interested in the reform of our municipal administrations have come to consider the satisfactory adjustment of the relations between State and municipality as the *conditionem sine qua non* to progress. The reports of various investigating committees, such as that of the Committee on Cities of the Pennsylvania Constitutional Convention of 1873; the Appendix to the report of the New York Senate Investigating Committee, prepared by William M. Ivins, Esq., together with the chapters on local legislation in the various treatises on municipal corporations, furnish us with most of the material for a correct appreciation of the more important bearings of the question.

Mr. Binney has made excellent use of all this data in the six short chapters which are intended to cover, in a general way, the whole question of restrictions upon local and special legislation. The great diversity in judicial interpretation as to the nature of such legislation; the loose use and frequent interchange of terms local and special in State Constitutions, to which have been added the confusing terms "public" and "private," have made the problem of precise definition an extremely perplexing one. The author gives evidence of this when he says:

1. "A general law is one which applies to, and operates uniformly upon, all members of any class of persons, places, or things requiring legislation peculiar to itself in the matter covered by the law."

2. "A special law is one which relates either to particular persons, places, or things, or to persons, places, or things which, though not

particularized, are separated, by any method of selection, from the whole class to which the law might, but for such limitation, be applicable."

3. "A local law is one whose operation is confined within territorial limits other than those of the whole State or any properly constituted class of localities therein."

It would be difficult to find any State wherein the courts have held to these distinctions. Pennsylvania alone might offer some classical contradictory examples.

Perhaps the most valuable portion of the book, both as regards treatment and results, is to be found in Chapter III, which treats of the question of "*Classification*," its limits and justification. While in no way treating this question from a purely subjective standpoint, the force of Mr. Binney's illustrations shows conclusively how futile are the efforts of those who are anxious to restrict in every possible way the classification of cities by the State Legislature. The five rules which the author lays down for such classification, while not upheld in their entirety by our courts, are notwithstanding excellent guides to the almost inextricable mass of legislation whose special or general character is a matter of doubt. These rules are:

"All classifications must be based on substantial distinctions; it must be genuine to the purpose of the law; it must not be based on existing circumstances only, or those of limited duration, except where the object of the law is itself a temporary one; the law must apply equally to each member of the class except only where its application is affected by the existence of prior unrepealed local or special laws; and, finally, if the classification be valid the number of members in a class is immaterial."

The last chapter of the book, which treats of the restrictions actually in force in the several States, forms an excellent summary of the constitutional provisions relating to this subject. The book, as a whole, throws a great deal of light upon our scheme of government. It shows us that the interpretation of State Constitutions and legislative enactments, while not offering all the charm and fascination which surrounds the great questions of federal interpretation, affects more closely the average citizen in his routine of daily life.

*University of Pennsylvania.*

L. S. ROWE.

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*The First Stages of the Tariff Policy of the United States.* By WILLIAM HILL. Pp. 162. Price, \$1.00. Publications of the American Economic Association, Vol. VIII, No. 6. Ithaca, N. Y., 1893.

The crudest as well as the most vociferous campaigners on the tariff, in their historical moods rarely get back of the Civil War; or, if they

do, it is only to draw lurid illustrations from the bungling practices of those backward times. Until recently even our historians have thought there was scarcely anything worth taking account of before 1816, and such investigation as has been made has been generally with a view to bolster up some pre-conceived theory. And so we have been confined, on the one hand, to such grotesquely absurd presentations as R. W. Thompson's "Tariff History of the United States," and on the other, to partisan twistings like Sumner's "History of Protection." Even the admirable work of Professor Taussig has no adequate background. The earlier part of the book—the essay on Protection to Young Industries—is a fairly good introduction to the detailed study which follows; but it gets no hold on the beginnings of our tariff history. At last, however, the subject is being vigorously taken hold of, and following Mr. Beer's monograph on the Colonial Policy of England, we have an equally painstaking and unpartisan account of Colonial and Confederation tariffs and of the first legislation under the Constitution.

The most interesting chapter, as it breaks newest ground, is that on the tariff legislation of the several States before 1789. As bearing on American policy the tariff acts before 1775 are of slight importance. They exhibit the attempts of colonial assemblies, undisturbed by conflicting theories, to realize a revenue upon imports by a mild and intermittent application of mercantile principles. In the Confederation period we have a most interesting phenomenon. The criticism of the mercantile system which culminated in the "Wealth of Nations" was the philosophical justification of the American revolt. Eighteenth century philosophy of inalienable rights and individual liberty implied as a corollary the freedom of commerce. With the single exception of Hamilton, all the prominent American statesmen of the period fell in with this view. The lingering effects of non-importation agreements, war, and the harsh treatment of England, cut off foreign trade, and for the time made tariffs useless. When the war was over our representatives abroad strenuously sought reciprocity, and the States made no haste to re-enact protective laws. The revulsion of feeling which succeeded the rejection of reciprocity, the tightening of England's restrictive policy, the depression of American manufactures, and the exportation of specie, is well brought out by Mr. Hill; but especially has he traced this reaction in the legislation of the various States.

Even so careful a writer as Professor H. C. Adams has stated that in 1789 "Protection was regarded by all as but an incident to the securing of revenue," and that in Hamilton's report on manufactures there was a "total subordination of the industrial to the political problem." Mr. Hill shows clearly that the failure of impost acts



under the Confederation was not due to opposition to restrictive legislation, but to State jealousy of Congress. But more than this he is able to show a rising feeling for restrictive and protective legislation within the States which went far beyond the act of 1789, and which even did not stop short of prohibition. Massachusetts and Pennsylvania were the most advanced in this respect, and Mr. Hill has supplemented a detailed examination of the tariff acts of these States by extracts from contemporary newspapers, resolutions and statutes. The conclusion is that the act of 1789 was but the logical transference of the policy of protection from the various States to the general government.

The examination of the Tariff Act of 1789 is equally exhaustive, but it seems to me that in spite of the logical nature of its protective features, these have been unduly emphasized. The backsliding had been general, but the reply of the Boston merchants in 1785 refusing to bind themselves to refrain from importing competing wares (p. 73), reveals a mainly silent but powerful force working against a diminution of foreign trade. The merchants were a strong force and had to be reckoned with in 1789, and within certain limits they were able to confine tariff legislation. "In the House," Mr. Hill declares, "no voice was raised against the principle of protection." There was, indeed, no hot partisan like Butler, but Madison and Tucker drew freely on Adam Smith, and only supported the bill, especially Madison, because there were exceptions to all general rules. Mr. Hill also insists (pp. 110, 111), that the two systems—a temporary measure for revenue, and a comprehensive measure for protection—came squarely face to face, and Congress deliberately decided for the latter. Madison, however, had no thought of bringing the two systems to a test, and his introduction of the measure of 1783 was merely in the hope that something might be agreed upon in time to catch the spring importations. Fitzsimons' substitution of the Pennsylvania tariff indicated, what Madison knew very well, that the measure of 1783 was outgrown; and when it became apparent that the delay in the organization of the government would prevent immediate action there was no recurrence to this scheme. How little was involved in some of the severe struggles may be seen by referring to steel. Tucker, who opposed most vigorously the proposed duty of sixty-six cents per hundredweight, announced himself willing to accept a revenue rate of five per cent. A compromise rate of fifty-six cents was agreed upon which, as Hamilton pointed out the next year, was less than five per cent *ad valorem*. Protection was certainly prominent and unconcealed in the tariff act of 1789, but it does not seem to have been the most important consideration, and on the national field it shows that

the practical considerations of commerce as well as the theoretical principles of the *laissez-faire* economy were reasserting themselves.

There is an error on page 123 in the statement of tonnage duties. There was no discrimination between nations in treaty and not in treaty relations, such provision having been stricken out of the bill by the Senate. The reference at the bottom of this same page is apparently a misprint.

It is to be hoped that Mr. Hill's study will be continued and made to include other stages in the American policy.

O. L. ELLIOTT.

*Ethics of Citizenship.* By JOHN MACCUNN, M. A. Pp. 223. Price, \$1.50. London and New York: Macmillan & Co., 1894.

At last there has been given us a discussion of the ethics of citizenship at once so clear, so succinct and so candid as to be of almost universal interest and usefulness. In a style terse but never heavy, the writer has presented in the space of 200 pages a logical and invigorating analysis of such vital topics as these: "The Equality of Men," "Fraternity," "The Rights of Man," "Citizenship," "A Plea for the Rule of the Majority," "The Tyranny of the Majority," "Party and Political Consistency," "Elements of Political Consistency," "Democracy and Character," "Some Economic and Moral Aspects of Luxury."

In agreement with Bentham, the writer attacks the eighteenth century Radicals' "Rights of Man," and emphasizes the distinction between so-called "rights" that are simply strong inclinations, and the real rights that admit of proof. Yet Bentham himself takes narrow if not untenable ground in limiting rights to only those advantages which have been legally enacted. "A right whose enactment is only deferred is not a right non-existent." After all, it is an empty phrase of Democracy that dwells exclusively upon its rights. Not the wresting of rights should be the goal of citizenship, but the filling of life with those great positive ends for which the rights are merely preliminaries.

With advancing Democracy, majority rule seems the inevitable law of the future, a prospect which fills the Radical with hope, the Conservative with the gloomiest forebodings. Mr. MacCunn has little difficulty in laying bare the fallacy in the argument by which Bentham and the elder Mill justified the rule of the majority. Even granted that the aim of politics is to promote the happiness of the greatest number, and that each man will follow his own best interest as he sees it, does it follow that each man will see his own best interest aright?

If he is pursuing an illusion, may not the general welfare suffer shipwreck in a majority vote? Nor does Mr. MacCunn, like the younger Mill, base a faint-hearted confidence in majority rule upon the artificial safeguards and checks, with which a far-sighted aristocracy might surround the nascent democracy. Instead, he faces squarely this question: "Taking an electorate such as that of our own country [England], is there reason to think that the average man possesses faculties and qualities, on the whole, adequate to the decisions which, as a citizen, he has to face?" In his opinion there *is* reason so to think; he justifies the rule of the majority because he finds in the average citizen these requisite qualifications: (1) a sense of the broad ends of national well-being; (2) a modicum of practical shrewdness, of common sense, equal to the task of passing upon simple issues, and of choosing as representatives, not as mere delegates, men of superior intelligence and integrity to grapple with the more complicated problems; (3) a degree of public spirit at least equal to that found in any other class, and a freedom from those narrow, selfish interests which so hopelessly distort the political judgment. The conclusion of Mr. MacCunn's examination of the rule of the majority and of party and political consistency is that "a reasonable presumption in favor of Majority as the ultimate court of practical appeal, and an acceptance of Party as a necessary instrument of action, are alike justifiable only in so far as the individual asserts a self-reliant independence of conviction and judgment."

If the most important problem which democratic society has to face in the future is to find securities against "virtuous materialism," nothing could be more relevant than the discussion of luxury. Economist and ascetic moralist unite in its condemnation. From this judgment Mr. MacCunn dissents, urging that luxuries well chosen and rightly used are the allies of morality, the aids of moral and intellectual development.

The book is tonic throughout. Even where the topic is old, it is treated with a freshness and vigor that will not fail to provoke thought and clarify the judgment.

GEORGE H. HAYNES.

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*A Policy of Free Exchange: Essays by Various Writers on the Economical and Social Aspects of Free Exchange and Kindred Subjects.* Edited by THOMAS MACKAY. Pp. xx, 292. Price, 14s. London: John Murray, 1894.

Mr. Thomas Mackay will be remembered as the editor of a work published several years ago with the title of "A Plea for Liberty."



The argument of that work and the title of the present one will sufficiently instruct the reader in the purpose of this volume. Like "A Plea for Liberty," "A Policy of Free Exchange" may, in general, be described as an apology for individualism. On the whole, however, it cannot be said that Mr. Mackay is so successful either in his writers or his subjects as he was before. As to the former, though there is no Herbert Spencer among them, there is no lack of keen power of augmentation and admirable literary style. One misses, however, coherence of scheme and equal strength of conviction in the defence of the main propositions herein advanced. As an attempt to patch up the fast-decaying cause of *laissez-faire*, "A Policy of Free Exchange" must, in spite of the decided value of much of its contents, be deemed a comparative failure. The impression one derives again and again is that of men who know that their idol is becoming more and more discredited, and who have hardly the heart to ignore the fact. There is only one writer who really ventures to be "cock-sure" to any degree, and it is Mr. Fortescue, in his indictment of the system of State Socialism which has been inaugurated in the Australian Colonies; but he, too, palpably falls into exaggeration. For the rest, one misses the old spirit of confidence which one has been accustomed to expect in works proceeding from the individualistic school, and repeatedly as the reader comes across concession after concession made to the newer tendencies of economic thought, he instinctively calls to mind the spectacle of Saul sitting amongst the prophets. The essays of which the volume is formed are nine in number, and deal with Free Exchange both in theoretical and practical aspects. The first paper, by Mr. H. D. MacLeod, traces the relationship of the science of economics to Free Exchange and to Socialism. To Mr. MacLeod the final task of economics might appear to have been achieved when the doctrine of Free Trade was proclaimed. How it must delight the heart of a teacher of "true economics"—the phrase is Mr. MacLeod's—when he can turn out *obiter dicta* like the following, conscious that it falls to him to say the last word upon the subject:

"Alas, France, which in the last century was the beacon to spread the light of Free Trade throughout the world, is now enveloped in the deepest darkness of protection and socialism, nor does there seem any immediate prospect of her emerging from it. . . . But whatever other nations may do, England must endure to the end, and steadily keep the light of Free Trade burning amid despondency, gloom and darkness, in the hope that time, experience and reflection will bring other nations to a better frame of mind." Really, one may be a convinced Free Trader without turning schoolmaster. One had thought that the "We are the people: wisdom shall die with us" spirit had

died out since the historical school came to the front. On the whole, we like a pronouncement like the following much better: "It is the natural right of every man to employ his industry and the talents which Providence has given in the manner which he considers to be most to his own advantage, so long as it is not to the injury of his neighbor." At the same time, it is hard to see how the dictum tells in a peculiar way in favor of Mr. MacLeod's individualism. The Socialist would presumably respond to every word of it with a hearty "Amen."

Mr. W. Maitland, in the succeeding paper on "The Coming Industrial Struggle," gives point to his predecessor's argument by reference to the case of America. In the event of that country's abandoning her policy of protection, he anticipates that she will offer to England far keener rivalry in the markets of the world. Hence, he would warn England against any forsaking of the old ways. The paper on the "French National Workshops of 1848," by Mr. Strachey, is more than inadequate; it is unfair. To represent the failure of a panic experiment in socialism, made under the most unfavorable circumstances conceivable, as dealing a death-blow to the doctrine of state activity in the economic domain, is surely the act of a dialectician *in extremis*. The paper in which the Hon. J. Fortescue considers "State Socialism and the Collapse in Australia," is intended to be an antidote to the gloominess which the late Dr. Pearson, in his scholarly work, "National Life and Character," heaped upon the state socialistic policy inaugurated on the antipodes. Possibly Dr. Pearson took a more optimistic view of things than was justifiable. Mr. Fortescue, on the other hand, goes to the other extreme and condemns the entire experiment as an unequivocal failure. The truth probably is that, while mistakes have undoubtedly been made, from some of which lessons will be learned that will be useful in the future, far too short a time has elapsed to enable one to form a fair and final judgment upon the subject. But Mr. Fortescue never has doubts. "I do not question for a moment," he says, "that in all cases the effect of state socialism will in the long run be the same. For whether under the guidance of an enlightened despot, or a hair-brained Kaiser, or an ordinary commonplace, state socialism seems to proceed on a false principle toward the fulfillment of an impossible task." And what is the false principle? Hear Mr. Fortescue again: "A demonstrated individual sentiment toward what state socialism cannot endure. For state socialism is the embodiment of the jealousy that the unsuccessful feel toward the successful." How far individualism and free exchange will be promoted by argument of this sort and spirit Mr. Mackay must be allowed to determine. Mr. W. Hooper's paper on "The

Influence of State Borrowing on Commercial Crises," is followed by one on "The State in Relation to Railways"—one of the best in the book—by Mr. W. M. Acworth, who gives an admirable account of the policies pursued by some of the most advanced States in regard to this means of communication. Mr. Acworth is too sensible a man and too expert an authority on railway history and policy to advocate the giving of a free hand to the owners of railway property. While on the one hand he objects to State ownership of railways, he advocates a wide measure of State control. The last controversial paper is a temperate one by the editor, dealing with "The Interest of the Working Class in Free Exchange." Mr. Mackay contends that what free mintage is to bullion, free exchange may become to labor. Just as the right of mintage assures to gold its market, so he believes free exchange may guarantee to labor steady employment and wages. But his desideratum of free exchange implies the removal of all fetters upon private enterprise and the abandonment of labor combinations. It is more than questionable whether the working classes will venture to make the experiment, considering the price and risk. Mr. Bernard Mallot contributes a paper on "The Principle on Progression in Taxation," and the Hon. A. Lytle describes the state of the English law regarding trade combinations. The last two essays cannot be regarded as pertinent to the main argument of the volume, though they possess a value of their own.

What has been said may be regarded as censorious. It is not, indeed, so intended. The book itself invites such objections as have been taken. Let us have defences of individualism and indictments of socialism by all means, but let them at any rate be informed by the true scholarly spirit. Above all things, when the teachings and practice of socialism are arraigned, let the subject at any rate be taken seriously. Mere ridicule and abuse will never convince socialists of the error of their ways. "A Policy of Free Exchange" is faulty in this respect, though it is right to add that the blame should not fall equally upon its writers, some of whom fulfill every requirement of fair and scientific dialectic. It is very likely that if the whole book had been written by any one of several who might be named among the essayists who have worked collectively, a formidable case against the views arraigned would have been made out. But as it stands the work fails to accomplish the task which its able editor set himself.

WILLIAM HARBUTT DAWSON.

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*Housing of the Poor in American Cities.* By MARCUS T. REYNOLDS, A. M. Pp. 132. Price, \$1.00. Publications of the American Economic Association. Vol. VIII, Nos. 2 and 3. Ithaca, N. Y.: 1893.



The prize essay by Marcus T. Reynolds on the Housing of the Poor in American Cities comprises a systematic statement of the evils of the tenement-house system, as exemplified especially in New York City, and a fair-minded account of the leading reform movements which have been accomplished or proposed.

Expropriation of the most unwholesome tenement districts by State authority has proved an effective, though costly, method of reform in England and on the Continent, but its adoption in America is not recommended by the author. In this country it is chiefly in the line of sanitary regulation that State activity has been brought to bear upon the tenement-house problem, and in this direction New York leads the world. "The great improvement caused by these regulations may be seen by comparing the mortality in the tenements of New York in 1869, when it was 28.35, with that of 1883, when it had fallen to 22.71."

A chapter headed the "Reformation of Existing Buildings" gives a brief account of the successful and suggestive work of Octavia Hill in London, of Miss Collins in New York, Mrs. Lincoln in Boston, and Miss Wright in Philadelphia.

A number of plans are given of improved tenements for single lots but the conclusion is reached "that complete success cannot attend any effort to provide our poor with clean, healthy homes upon the lines of the single tenement. It is in the great model tenements, therefore, that the author's chief interest seems to lie. These model tenements have originated from philanthropic motives, but have seldom failed to yield a fair return upon the capital invested. Enterprises of this kind seem to have started with the Peabody gift in 1862. In 1891 the Peabody buildings were providing homes for 20,462 of London's poor at an average rent for each dwelling of 4s. 9¼d. per week. The Improved Industrial Dwellings Company, under the management of Sir Sidney Waterlow, controls the homes of about 30,000 persons. The movement was promoted in America by Mr. Alfred T. White, under whose leadership the Home Buildings were opened in Brooklyn in 1877. Since that time a number of model tenement companies have been established in American cities. "The Peabody Fund, the Improved Industrial Dwellings and other companies in England, the Improved Dwellings Company of Brooklyn, the Tenement House Building Company and the Improved Dwelling Association in New York, the Beneficent Building Association and the many houses erected in Philadelphia by Mr. Theodore Starr, all offer a practical demonstration that 'Philanthropy and five per cent' represents an accomplished fact. It must be well understood that the success of these companies is due to their strict observance of business principles.

There should be nothing in the management of such buildings which savors of charity in any way, or the better class of tenants will be driven away, and those who remain will do so at the cost of self-respect."

Numerous drawings show the course of improvement in the construction of tenement houses and detailed plans are given of some of the latest buildings.

In the closing chapter the author outlines a new plan for the relief of poverty. He finds that the possible margin of savings is largely absorbed by the practice of buying the necessities of life in very small quantities at the little corner shops. It is proposed to avoid the high prices of such petty trade, as well as the unhealthful conditions of housekeeping in one room, by instituting the "boarding tenement." The author seems to have overlooked the fact that the difficulty of being suited and of utilizing the time and energy which is released from the cares of housekeeping makes boarding an expensive and often demoralizing mode of life. This consideration is especially applicable to poor people.

DAVID I. GREEN.

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*A Critical History of Modern English Jurisprudence. A Study in Logic, Politics and Morality.* By GEORGE H. SMITH. Pp. 83. San Francisco: Bacon Printing Co., 1893.

This little work is an introduction merely to a larger work contemplated by the author. It is partly an attempt to explain what is meant by a "natural right," and a criticism from the standpoint of one who believes in "natural rights" of other systems. Thus we have chapters on Hobbes' Theory of Jurisprudence, on Bentham's and Austin's Theory, and on Mill's Utilitarianism. But the most interesting part is the last chapter, which more fully explains the author's own ideas. He starts (p. 5) with the hypothesis that there exists in every one natural rights. These rights exist independently of his rights in the legal sense, *i. e.*, of statutes and customs. The fundamental problem then of all political science is not to determine those rules of public or private law which are most conducive to the happiness of the people, or foster most their progressive qualities, but to "determine the nature and extent of human rights." Law becomes, strictly speaking, an art which directs itself to the discovery of how best to realize the natural right. But what is "natural right?" To this we can find no satisfactory answer that will place the validity of the "rights" in question on any higher ground than the assertion of the writer. For instance, he asserts that what is a fundamental legal right is a moral question, and therefore infers that in order to determine the question of right, we

must know right from wrong (p. 75). For the determination of this question, he distrusts conscience, either that of the individual or the collective conscience of mankind, for he says (p. 77) "scientific morality accepts no propositions except such as are universally true, . . . and admits no conclusions except such as can be rigidly demonstrated from the principles assumed." The principles assumed by the author as universally true, and on which his whole system apparently rests, seem to be two in number. First, laws must be equal; and second, whatever can be shown to be, in its general consequences, detrimental to mankind, is wrong. The last assumes the correctness of the utilitarian theory of morals, and the first is a mere assertion based on we know not what. To have two fundamental principles, one must show that there can never be any conflict between them. If this conflict is shown in any single case, then one rule or the other must give way and cease to be a fundamental principle. That equality before the law of those "in the same case" necessarily conduces always to the welfare of mankind, is a rule which may have few exceptions, but that it had no exceptions we would not have the temerity to affirm. Either the proposition of the utilitarians on what separates a right action from a wrong action, a good law from a bad, is correct or it is not. If it is, then all other rules are subordinate. Mr. Smith gives us two fundamental rules, though he expresses the rule that laws should be equal in several different ways. Neither of the rules is established by argument, both are assumptions, and are not shown never to conflict.

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*Corso di Diritto commerciale.* Di ERCOLE VIDARI. 4<sup>a</sup> edizione migliorata et accresciuta. Vol. I. Pp. 732. Price, 12 L. Milan: Hoepli, 1893.

One cannot better indicate the scope of this important publication than in the statement of Goldschmidt upon the first edition.\* "The author has successfully attempted to emancipate Italian commercial law from the shackles of French principles and jurisprudence, by returning to the glorious traditions of Italy and at the same time by drawing inspiration from the modern development of law among European peoples. Free not only from a purely mechanical exegesis of the laws, but as well from an economic synopsis, abstract in character and wholly independent of the principles of protective law, Vidari knows well how to unite the excellent characteristics of the French and the Germanic schools." In the present edition he was the better able to determine the positive basis of the work, since the

\* *Zeitschrift für das gesammte Handelsrecht*, vol. xxiii., p. 322



bill that was under discussion at the time of the first edition had become a statute, while the earlier edition necessarily oscillated between the proposed law and the code of 1865, which was then in force.

The material, which in the preceding edition filled nine volumes, each equal in size to the volume under consideration, is divided in the following manner: Commercial law in its relations to (1) persons; (2) things; (3) contracts; (4) insolvency and bankruptcy; (5) actions and the procedure thereof. This is the division which has been preferred for didactic purposes since the time of the Institutes of Justinian, and one which, if it has been variously judged for its practicability, even from this point of view, is certainly better than the disorderly collection of French commercial law, reproduced also in the Italian code of the present day.

In the introductory portion the author with a formula similar to that of Beslay,\* but with a formula more exact and complete, gives (p. 15, et seq.) the following definition of commerce as the object of special legislation: "The aggregate of those acts of interchange between the producer and the consumer, which exercised habitually and for the sake of gain, effectuate, promote and facilitate the circulation of the products of nature or of industry in order to render more easy and speedy their supply and demand." This definition which the author reaches by the inductive method from the examination of economic facts, opens to him the way for censuring the foundation laid down by legislation generally, including Italian and Germanic legislation, for the mercantile qualification of acts, where each is considered separately instead of in its connection with others, due to its professional exercises; and this alone to the author's mind would justify "special and rigorous provisions" (p. 27). Then, impelled by the positive character of his work, on the basis adopted by the statutes on Italian commerce, he lays down the fundamental theory of commercial acts (pp. 31-47). In the course of this exposition he notes the exceeding importance of economic notions in the study of mercantile law, and indicates two reasons on account of which jurists and also those of the great Italian school of commercial law in past centuries so long neglected the study of economic facts, that is to say, the modernness of economic science and the preponderance of Roman law, which was developed in a mercantile atmosphere, and which, the more ample it was, was so much the less complex; and varied so much the more from that of our days (p. 54, et seq.)

Passing from the commercial facts to the laws designed to govern them, the author notes the special but by no means exceptional character of mercantile law (p. 62), which appears in Art. 1 of the Italian

\* "*Des actes de commerce*," p. 25, et seq.

Code (p. 64). And given this special character, he combats (p. 65) the idea of a single civil and commercial code, an idea which has been recently advanced by certain writers. In addition to the discussion in the text Vidari amply develops the subject in an appendix at the end of the volume; he observes that the separation of the two bodies of laws has arisen historically as a consequence of the development of commerce and that the reason for the separation still exists and has, furthermore, gained greater force from the modern proportions of traffic. In order to appreciate justly the author's point of view we must take account of the fact that he writes in a country where Roman law is still the largest factor in civil legislation, and where the separate codification of the two bodies of laws is of long standing; and that since these conditions do not exist among Anglo-Saxon nations, one can very easily explain the combined civil and commercial statutes of the State of New York without gaining a single point against the assertion of the author.

There follows an historical summary upon the codification of commercial law (pp. 70-92) and a bibliography of the same (pp. 115-122).

After the introductory portion, Vidari enters upon the subject of persons and treats: *of merchants in general; of certain collective persons in particular; of commercial companies*. The matter on companies, however, will be in good part developed and completed in the second volume, to a bibliography of which it will be of advantage to give attention in gaining unity of treatment.

In regard to *merchants in general*, first as to what concerns the characteristics which determine the quality of merchant, he compares the Franco-Italian system, in which proof of the exercise of the profession is required, with the system of those codes which assume the aforesaid quality upon enrolment in a public register; and he decides in favor of the latter as more favorable for anticipating uncertainties and for guaranteeing credit in the carrying on of traffic. And also by way of introduction to this subject he reviews under the following heads the legal condition of the individual who engages in traffic (p. 149): (1) relation among co-debtors; (2) proof; (3) jurisdiction, in regard to which he censures the recent abolition of tribunals of commerce in Italy (p. 152); (4) execution; (5) insolvency.

He turns then to the question of *capacity to undertake mercantile acts, to the rights and duties of merchants, and to middle men*. In this connection he explains (p. 170) the contradiction of the Italian code in regard to minors empowered to engage in commerce who thus can perform any mercantile act whatsoever, but who on the other hand are held, in so far as civil acts are concerned, as emancipated minors who can comply only with the acts of simple administration.

He determines questions on commercial establishments, in the matter of their being capable of being transferred, given in legacy, bequeathed in inheritance (p. 292), but without implying a transference which brings upon the successor debts which have not been especially assumed in the inventory (p. 254). He notes the entirety of patrimony as guaranteeing creditors under the modern law, through which the old institution has ceased to exist, an institution which opened easily the door to fraudulent procedure, *i. e.* the institution of the division of patrimony in cases where several establishments or companies had claims upon the same debtor (p. 224 et seq.). In treating of commercial houses and of trade-marks, after a discussion of many questions of illegal competition (pp. 241, 280), he enters directly into the subject of the transference of the former (pp. 250, 251) and gives the laws in different countries for their registration (p. 263 et seq.). He speaks at length of books on commerce, and compares various legislative systems (p. 337 et seq.), among which he approves most highly the Anglo-Swiss system which gives complete liberty to merchants in the keeping of their books, provided that they render an exact account of their legal-economic condition, with penalties prescribed only in case of fraudulent acts; he adds, however, that it is a system which presupposes a healthy and vigorous condition of the commercial world.

In regard to *middle men* (*mediatori*) he discusses the question as to whether they ought to be licensed (p. 361), and whether the number of licensed middle men should be limited (p. 364), and again in reference to the powers of Chambers of Commerce over them in accordance with the Italian laws already in force (p. 418).

Before he proceeds to the question of companies he gives an exposition of the laws in regard to *collective persons*, different from the former, and here the author treats of the State, of the province, of the town, of savings banks, bringing into especial prominence the legal position acquired by the State through commerce (p. 429), which the Italian Statutes subject to the laws and the usages of commerce as well as to its mercantile acts, though they do not admit, as is done in Hungary, that the State can acquire the quality of merchant.

From these indications it is evident how large has been Vidari's work, a work which is based on Italian law and yet broadens continually into the field of comparative legislation. If in the preceding editions his work met favorable consideration in the most cultivated countries of Europe, it is worthy of appreciation also among the students and the practical workers of the United States.

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*The History of Trade-Unionism.* By SIDNEY and BEATRICE WEBB. Pp. xvi, 574. Price, \$5.00. London and New York: Longmans, Green & Co., 1894.

This is a work which has long been overdue. Though the Trade-Union movement is nearly two centuries old, and its influence upon labor and trade great beyond estimation, it has hitherto lacked a worthy historian. We have had works of a partial and a controversial character, and against some of these no word of disparagement should be said, least of all against Professor Brentano's monograph, so admirable and scholarly in its way. But to write the history of British Trade-Unionism as it deserved to be written is a task which has fallen to the happy lot of Mr. and Mrs. Webb, both tried students and workers in the field of social reform, and they have done their work marvelously well. The authors tell us that this goodly volume is the result of three years of special investigation, and is based almost entirely upon material hitherto unpublished, and their claim that they present not merely a chronicle of Trade-Union organization or a record of strikes, but virtually a review of the political history of the English working-classes during the last 150 years, is no exaggeration.

Naturally one turns with the greatest interest to the portions of the book which deal with the origin and early history of the Trade-Union movement, for it is here that the romance of the writers' story is most fascinating. At the very outset one recognizes with approval the care which has been taken to distinguish between the direct, lineal progenitors of modern trade-unions and the heterogeneous industrial organizations which existed centuries before the Trade-Union movement can be said really to have taken its rise. In the mediæval journeyman fraternities, in the ephemeral combinations of manual workers against their social superiors, such as are found to have occurred as early as the fourteenth century, in early associations of a more or less benevolent kind in which employers acted side by side with laborers, and in the Craft Gilds the authors refuse to recognize any analogy with the trade-unions of last century and this. Approximately they fix 1700 as the year from which these unions may be dated, and to do that is to indicate the principal causes which combined to produce this new and more aggressive form of labor coalition. In the words of our authors, "the fundamental condition of Trade-Unionism we discover in the economic revolution through which certain industries were passing. In all cases in which trade-unions arose the great bulk of the workers had ceased to be independent producers, themselves controlling the processes and owning the materials and the product of their labor, and had passed into the condition of lifelong wage-earners, possessing neither the instruments of

production nor the commodity in its finished state." Yet, again, it is not to be concluded that "the divorce of the manual worker from the ownership of the means of production resulted from the introduction of machinery and the factory system. Had this been the case we should not, upon our hypothesis, have expected to find trade-unions at an earlier date than factories or in industries untransformed by machinery. . . . The fact that the earliest permanent combinations of wage-earners in England precede the factory system by half a century, and occur in trades carried on exclusively by hand labor, reminds us that the creation of a class of lifelong wage-servants came about in more than one way."

Incidentally light is thrown on the tendency prevalent in those days still to look for redress of industrial wrongs to public authority. Now it was appeal to the House of Commons, now to justices of the peace, now to the king himself. Thus, in 1726, the weavers of Wiltshire and Somersetshire combined to petition the king against the harshness and fraud of their employers, the clothiers, with the result that a committee of the Privy Council investigated their grievances, and drew up "Articles of Agreement" for the arrangement of the dispute, at the same time admonishing the weavers never to seek relief by unlawful combinations, but always to "lay their grievances in a regular way before his Majesty, who would be always ready to grant relief suitable to the justice of their case." Again, "The pioneers of the Trade-Union movement were not the trade clubs of the town artisans, but the extensive combinations of the West of England woolen workers and the Midland framework knitters. It was these associations that initiated what afterward became the common purpose of nearly all eighteenth century combinations—the appeal to the Government and the House of Commons to save the wage-earners from the new policy of buying labor, like the raw material of manufacture, in the cheapest market."

It was not long, however, before a change for the worse set in. Parliament and magistrate alike shut their ears and hardened their hearts against the cries of the working classes, thanks to the pressure which the employers brought to bear upon both. Thus the Woolen Cloth Weavers' Act of 1756—which provided for the fixing of piecework prices by justices of the peace, in order that the custom of cutting down rates and under-selling might be checked—had no sooner been passed than its repeal was managed somehow, "and Parliament was now heading straight for *laissez-faire*." So much so, that when, in 1775, the weavers, spinners, scribblers, and other woolen workers of Somerset petitioned against the harm which was being done to their livelihood by the introduction of the spinning-jenny into Shepton

Mallet, the House of Commons refused even to receive the petition. From that time labor continued unprotected till the factory legislation of this century began to undo the wrongs and heal the social wounds which long neglect had created. Nor did Parliament stay at *laissez-faire*. Having refused to help the working classes, its next humane act was to deprive them of the means of helping themselves. This was done by the prohibition of combinations. "A steady multiplication of acts against combinations in particular industries culminated in the comprehensive statute of 1799, forbidding combinations of all kinds."

Touching this era in the history of Trade-Unionism—the era of repression—our authors say :

"The traditional history of the Trade-Union movement represents the period prior to 1824 as one of unmitigated persecution and continuous repression. Every union that can claim an existence of more than a half a century possesses a romantic legend of its early days. The midnight meeting of patriots in the corner of the field, the buried box of records, secret oath, the long terms of imprisonment of the leading officials : all these are in the sagas of the older unions, and form material out of which in an age untroubled by historical criticism, a semi-mythical origin might easily have been created."

But even allowing for fiction, there is fact enough in all this. Reading to-day of the harshness dealt to the members of labor coalitions, during the first twenty years of this century, we are apt to dismiss the subject with the mere mental comment that if such behavior was a flagrant perversion of justice, the ultimate issue has been worth the pains. But it is impossible to realize the grim actuality of their sufferings to the men who had to bear them. Sometimes they bore without complaining, sometimes it was with complaint enough, sometimes with rebellion in the heart and blood on the hand.

The fact that combinations of employers and employed were alike forbidden but little alleviated the situation, for while the law pounced down upon the latter on the mere suspicion of illegality, the transgressions of the former were tacitly condoned. Times have strangely changed since "a single master," in the words of Lord Jeffrey, "was at liberty at any time to turn off the whole of his workmen at once—100 or 1000 in number—if they would not accept the wages he chose to offer," and when it was an offence for such work-people to leave employment if their employer refused to pay the wages they demanded. Say our authors :

"During the whole epoch of repression, whilst thousands of journey-men suffered for the crime of combination, there is absolutely no case on record in which an employer was punished for the same offence. To the ordinary politician—and they might have said the ordinary



legal mind—a combination of employers and a combination of work-people seemed in no way comparable. The former was at most an industrial misdemeanor; the latter was in all cases a political crime.”

Whence arose this suspicion of the working classes? The causes were partly social, partly industrial. In the words of Francis Place, the Combination Laws were “considered as absolutely necessary to prevent ruinous extortions of workmen, which, if not thus restrained, would destroy the whole of the trade, manufactures, commerce, and agriculture of the nation. . . . This led to the conclusion that the workmen were the most unprincipled of mankind. Hence, the continued ill-will, suspicion, and in almost every possible way the bad conduct of workmen and their employers toward one another. So thoroughly was this false notion entertained that whenever men were prosecuted to conviction for having combined to regulate their wages or the hours of working, however heavy the sentence passed on them was, and however rigorously it was inflicted, not the slightest feeling of compassion was manifested by anybody for the unfortunate sufferers. Justice was entirely out of the question: they could seldom obtain a hearing before a magistrate, never without impatience or insult; and never could they calculate on even an approximation to a rational conclusion. . . . Could an accurate account be given of proceedings, of hearings before magistrates, trials at sessions and in the Court of King’s Bench, the gross injustice, the foul invective, and terrible punishments inflicted would not after a few years have passed away, be credited on any but the best evidence.”

But it was not merely that the working classes were rapidly gaining economic power. The shadow of the French Revolution had fallen over this as well as other lands, and the governing and possessing classes—and were they not then identical?—trembled lest the black doings which had transpired in France should be imitated here. Those years were years of reaction everywhere.

But coercion was not successful, or at least its success was partial and temporary. The trade-unions of the skilled and well-organized classes of work-people were hardly checked at all. Persecution only caused their ranks to be closed up more firmly.

Disputes and strikes arose in spite of the Combination Acts, and even the increased rigor with which these acts and the ordinary penal laws available by the courts were enforced was powerless to stem the growing tide of industrial discontent. And “all through the era of repression a growing sense of solidarity among the whole body of wage-earners” was observable. No longer were members of the same trade satisfied with the pursuance of the old class and sectional

objects; one trade began to support another; a spirit of community began to run through the entire laboring class.

"With the final abandonment of all legislative protection of the standard of life, and the complete divorce of the workers from the instruments of production, the wage-earners in the various industrial centres became, indeed, ever more conscious of the widening of the old separate trade disputes into the class war which characterizes the present century." This surprised the employers exceedingly. "It is difficult to-day," remark the authors, "to realize the *naïve* surprise with which the employers of that time regarded the practical development of working-class solidarity. The master witnesses before Parliamentary Committees, and the judges in sentencing workmen for combination, are constantly found reciting instances of mutual help to prove the existence of a widespread 'conspiracy' against the dominant classes. That the London tailors should send money to the Glasgow weavers, or the goldbeaters to the rope-spinners, seemed to the middle and upper classes little short of a crime."

When at last the man of deliverance came to the working classes, he proved to be not a member of their order, but a tradesman—Francis Place, a Charing Cross tailor. He it was who, making the repeal of the Combination Laws his own cause in 1818, never wavered or rested until they had been removed from the statute-book.

The championship of the popular classes which he conducted in the country Joseph Hume conducted in the House of Commons. Their first victory was the appointment (February, 1824) of a Select Committee of that House for the investigation of (1) the emigration of artisans, (2) the exportation of machinery, and (3) combinations of workmen, all of which were still forbidden by law. This was not done without the exercise of a certain amount of *finesse*, for while Peel and Huskisson supposed that the serious purpose of the committee was to inquire into questions one and two, Place and Hume had determined that its attention should, as far as possible, be concentrated upon the third.

"Hume, who was appointed chairman, appears to have taken into his own hands the entire management of the proceedings. A circular explaining the objects of the inquiry was sent to the mayor or other public officer of forty provincial towns, and appeared in the principal local newspapers. Meanwhile, Place, who had by this time acquired the full confidence of the chief leaders of the working class, secured the attendance of artisan witnesses from all parts of the kingdom. Read in the light of Place's private records and daily correspondence with Hume, the proceedings of this 'Committee on Artisans and Machinery' reveal an almost perfect example of political manipulation.

Although no hostile witness was denied a hearing, it was evidently arranged that the employers who were favorable to repeal should be examined first, and that the preponderance of evidence should be on their side. And whilst those interests which would have been antagonistic to the repeal were neither professionally represented nor deliberately organized, the men's case was marshaled with admirable skill by Place, and fully brought out by Hume's examination. Thus the one acted as the trade-unionists' Parliamentary solicitor, and the other as their unpaid counsel."

It should be remembered that Place himself is the principal authority for this version of the committee's history, and doubtless his ingenuity in getting up the Trade-Union case and in influencing the issue of the inquiry receives here its full meed of credit. But whether or not so much was due to the "wire-pulling, Parliamentary lobbying, and all those artifices by which a popular movement is first created and then made effective on the Parliamentary system," in which the authors claim that Place was "an inventor and tactician of the first order," the battle was won all the same, and won brilliantly.

"The result of the inquiry was as Hume and Place had ordained. A series of resolutions in favor of complete freedom of combination and liberty of emigration was adopted by the committee, apparently without dissent. A bill to repeal all the Combination Laws and to legalize trade societies was passed rapidly through both Houses, without either debate or division (1824). Place and Hume contrived privately to talk over and to silence the few members who were alive to the situation; and the measure passed, as Place remarks, 'almost without the notice of members within or newspapers without.' So quietly was the bill smuggled through Parliament that the magistrates at a Lancashire town unwittingly sentenced certain cotton weavers to imprisonment for combination some weeks after the laws against that crime had been repealed."

The result was a rapid growth of trade societies, and for a time a great multiplication of disputes, between capital and labor, with much arbitrary dealing on both sides. Place, strange to say, had thought, and being a good individualist had even hoped, that combinations would cease to exist when the working classes were no longer coerced. Another instance of human nature's fondness for working at cross purposes.

We must pass over the excellent account which our authors give of the revolutionary period which followed, and which they date 1829 to 1842, a period which brought chartism to the front. It was now, too, that Robert Owen attempted to launch his ambitious scheme of a Grand National Consolidated Trade-Union, which was to be the herald of a system of universal socialism. It flashed before the startled gaze



of the country like a meteor,—“nothing in the annals of unionism in this country at all approached the rapidity of the growth which ensued: within a few weeks the union appears to have been joined by at least half a million members, including tens of thousands of farm laborers and women,”—but it disappeared with something like meteoric expedition. Owen's Utopias were always too Utopian to succeed. While the terror was on, there seemed likelihood that the party of reaction might succeed in restoring the old restrictive laws, but their attempts were frustrated, and when things became quieter the Trade-Union movement passed permanently into an easier and more straightforward channel.

A good half of the book is devoted to the quite modern history of Trade-Unionism, as to which it is hardly necessary to say more than that it is conscientiously done, though the subject-matter is frequently controversial, and it is not difficult to detect the authors' leanings at times. Among the many phases of the subject touched upon are the organization of the agricultural laborers, the eight-hour-day movement, the Lancashire weavers' list question, the trade friendly societies, women's unions, the establishment and history of the Trade-Union Congress (which dates from 1871), the growth of socialism, and with it the differentiation of the Old and the New Unionism.

The closing chapter is largely statistical and is taken up with a review of the present position of Trade-Unionism, its strength and influence, and the life of the “Trade-Union world.” Though no exact data exist, the authors estimate that the membership of the trade-unions of the united kingdom at the end of 1892 was over 1,500,000, though below 1,600,000. This would represent something like four per cent of the total population, or twenty per cent of the adult manual working class, though in some counties of England as many as fifty per cent of the manual workers belong to unions. Membership is small amongst women, however, the proportion being as far as can be estimated one unionist to every twenty or thirty manual workers. As to the work of Trade-Unionism in the future—the problems which it will have to face and the difficulties which it will have to overcome—Mr. and Mrs. Webb for the present preserve silence, but in excellent compensation they promise a special volume on the subject.

For this work it will be seen, we have only praise. It could not be otherwise. The authors had a great task to perform when they undertook an investigation so difficult, so complex, and in part so delicate as this of the origin, development and effects, alike upon industrial and political history of Trade-Unionism. They have not merely done their work well, but we are bound to say that we do not believe it could have been done better.

WILLIAM HARBUTT DAWSON.

## NOTES.

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THE MONOGRAPH on "Local Government in the South and Southwest"\* is the joint product of Professor Edward W. Bemis and of students working, under his direction, while a professor in Vanderbilt University, 1891-92. In most cases it was possible to assign work to natives of the States to be treated, but those who took Mississippi and Louisiana were compelled to abandon their work, and no one was secured for Florida. Extensive studies have been recently published on Virginia and South Carolina. Dr. Bemis has made brief notes on all of these except Virginia. The work begins with North Carolina and includes Kentucky and Missouri. Dr. Bemis furnishes the introduction. The papers are arranged in the order of the States that have developed the power of local taxation, beginning with North Carolina, which has the least; then come Tennessee, Louisiana, Alabama, Georgia and Mississippi, none of which possess the power of local taxation, save in incorporated towns, cities and special school districts. Then follow South Carolina, Florida, Texas, Arkansas, Kentucky and Missouri, in all of which the school districts, and in the last two all townships, have the power of local taxation. A growth in local government is shown in most of these States, and the main thesis seems to be that the centre of this growth is the school, for it is here that the question of local concern and local control of the tax levy comes in. Dr. Bemis acknowledges, in a general way, that the chief hindrance to the growth of local government in the South is the negro. But this drawback is hardly made sufficiently prominent. North Carolina is a sample. It is true that she represents "the most complete system of State control and centralization of local government in this country." But it is an error to attribute this backwardness either to lack of intelligence, habits or prejudice. Not even the historical basis on which the system rests would endure for a moment against the tide of self-government were the negro out of the way. But the eastern counties of that State, having learned by bitter experience what negro rule means, having had their county script hawked about at ten cents on the dollar, were only too glad to escape from its evils at the expense of centralization. The western part never has been in favor of the system. It has borne it only out

\* *Local Government in the South and Southwest*. By EDWARD W. BEMIS and others. Pp. 118. Price, \$1.00. Johns Hopkins University Studies in History and Political Science. Vol. xi. Nos. 11 and 12. Baltimore, 1893.

of sympathy with the negro-ridden East. There is a strong and steady sentiment in the West against it, and this feeling may gain the ascendancy at any session of the Legislature. The presence of this sentiment is shown by the defeat of the Constitutional Amendment in 1892, which provided for the election of State solicitors on a general instead of a local ticket.

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THE ANNALS CANNOT undertake to notice every school textbook of history that appears, but when one is written by so distinguished an author as Mr. John Fiske,\* space may well be spared for a brief notice. Mr. Fiske in his larger undertakings has up to this time confined himself to the period anterior to the inauguration of the present Constitution, but it is generally understood that he is to continue, on the broad scale already begun by him, into the history of the past hundred years. As might, perhaps, be naturally expected, the strongest portion of this history for schools is the part dealing with colonial affairs, to which five-eighths of the book are given up, leaving only three-eighths for the treatment of the infinitely more instructive history since 1789. And not only is the perspective of American history thus drawn out of focus, but there are also frequent errors of statement in the latter portion of the book. The illustrations are generally useful and well executed. The book as a whole, however, is hardly what we should expect from a person of the author's reputation, and for school purposes it is not so well adapted as are several other histories by less famous writers.

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"*Wirtschafts und Finanzgeschichte der Reichsstadt Ueberlingen am Bodensee*" is one of the monographs† of the series edited by Dr. Otto Gierke in the domain of the more extensive study of German law. It comprises a painstaking investigation of the local economic history of Ueberlingen from 1550 to 1628. One need not subscribe to Schmoller's doctrine of the nature and scope of economics, nor even to Ingram's idea of a rehabilitation of the science by complete historico-economic induction to see the merit of a piece of work of this kind. It throws no little light on the economic life of cities in the sixteenth century; it gives a good picture of the rôle played by guilds in municipal politics; it sets before us the cruder forms of civic finance. More than this, it promises to bear directly upon the important historical question as to the extent of the ravages of the Thirty Years' War in

\* *A History of the United States for Schools*. By JOHN FISKE; With Topical Analysis, etc., by Frank A. Hill. Pp. xxi, 474. Price \$1.00. Boston: Houghton, Mifflin & Co., 1894.

† *Wirtschafts und Finanzgeschichte der Reichsstadt Ueberlingen am Bodensee*. By DR. FRIEDRICH SCHAEFER. Pp. 196. Breslau, 1893.



Germany. These have been perhaps unduly magnified, and an exact test of their severity in even a small district will not be without its importance. Another point to be noted in the brochure is the impartial summary of the good and evil in mediæval economic life. If the supervision of economic life by civic functionaries acting under an inherited sense of the obligation imposed by their office did much good in the line of the distribution of wealth, this advantage was dearly purchased at the expense of the homely virtues of thrift and frugality on the part of the community at large.

UNDER THE TITLE "Social Peace: a Study of the Trade-Union Movement in England," \* Messrs. Swan Sonnenschein & Co. have published extracts from Dr. Schulze-Gaevernitz's "*Zum sozialen Frieden.*" The selection of the economic portions from the broader German work was done by Graham Wallas; and the translation is made by Miss C. M. Wicksteed. The title and sub-title sufficiently indicate the scope and character of the work. The author's purpose is to show that in England the movements toward the organization of laborers has made for, and is still making for, peaceful and stable industrial relations. He hopes thus to show that economic and social happiness for Germany is to be secured, not by the violent and radical measures of social democracy, but by such reforms as have blessed England.

After brief sketches of British industry before the great inventions, of the immediate effects of these inventions on the employer and the laborer, and of the violent class warfare in the early half of the century, there follows a fuller description of the rise and working of labor organizations. The opening chapters are dangerously brief; but they are notably good, particularly the one on class warfare, in which the economic character of the Chartist movement is clearly brought out. The chapter on the community of interest between employer and laborer contains valuable data for the conclusion that highly paid labor is after all the cheapest for the master. But the most valuable part of the book is that wherein is given an account of the methods and results of industrial conciliation and arbitration in the great industries of England. It is upon the great progress made in these fields, that the author rests his assertion that England has at last come to a solution of the problems which vexed her so long. Whether or not the facts sustain such a conclusion, they would certainly be instructive reading for the average American employer and newspaper writer.

\* Social Science Series, Double Number 5. Price, \$1.25. New York: Imported by Charles Scribner's Sons, 1894.

THE CASE OF Winthrop *vs.* Lechmere is well known to students of constitutional law, for by it, on appeal from a disaffected member of the colony of Connecticut, the colonial intestacy law was declared unconstitutional, that is, contrary to the common law of England and unauthorized by the charter. Then by implication it contained the essence of the American doctrine that the judiciary has the power to declare legislative acts unconstitutional. It stands with the equally famous cases of Trevett *vs.* Weeden and Bayard *vs.* Singleton, although the action of the king in council was not so purely judicial, as was that of the Supreme Courts of Rhode Island and North Carolina. The case was therefore of less immediate influence upon the development of our constitutional law. The late Brinton Coxe in his "Essay on the Judicial Power" (Philadelphia, 1893), has called renewed attention to the case and has noted its effects in habituating the minds of the Connecticut inhabitants to the idea of the vacation of a legislative act because of its unconstitutionality. Students of history, however, know that the case had a wider application than this. It may have affected the legal ideas of the colonies, but it also started a controversy, the effect of which was to define more exactly than ever before the relation of the proprietary and charter colonies to Parliament and to educate the colonists, not only in juristic principles, but in economic and constitutional principles also. In other words the Winthrop *vs.* Lechmere case unsettled the life of the Connecticut colony for seventeen years. It was discussed from every possible standpoint during these years and in consequence had no inconsiderable effect in shaping colonial ideas and in preparing the colonists for the greater events that were to follow. It is fortunate, therefore, that a recent publication\* of the Connecticut Historical Society has made accessible the documents in the case, the correspondence of Governor Talcott (1724-1741), together with many other valuable papers bearing directly or indirectly upon the matter. It is fortunate also that the work has fallen into the hands of an editor who has a thorough appreciation of the importance of her task. The two volumes are well put together, well indexed and made more serviceable by frequent explanatory notes. We recommend them to every student of colonial history and colonial law.

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AMONG THE MOST satisfactory of the briefer textbooks in American history is to be classed the recent one by Professor Allen C. Thomas,

\* *The Talcott Papers.* Correspondence and Documents (chiefly official) during Joseph Talcott's Governorship of the Colony of Connecticut, 1724-1741. Edited by MARY KINGSBURY TALCOTT. Vol. I, 1724-1736; Vol. II, 1736-1741.

of Haverford College, Pennsylvania.\* The work is written in good style, is well proportioned, gives ample references for supplementary reading, and contains a moderate number of maps chosen with good discrimination. Professor Thomas is to be congratulated on producing a book as useful as this will be in high and other secondary schools.

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DR. WILLIAM HOWE TOLMAN, Secretary of the New York City Vigilance League, and Dr. William I. Hull, Associate Professor of Economics and Social Science at Swarthmore College, have jointly issued a "Handbook of Sociological Information, With Especial Reference to New York City,"† which was prepared for the City Vigilance League.

The "*with especial reference to New York City*" indicates the part of the book that will prove to be of greatest value. Part II, under the ill-defined title of "Applied Sociology," furnishes a good finding list and a fairly complete index to the various charities and associations for social reform in New York City, and ought to prove useful to many workers within its borders, and to not a few outsiders who are not very well acquainted with the actual relief and social work being carried on in New York. Part I of the Handbook is intended to be more general and to appeal to a wider public. It contains short explanatory notes by different authors on many topics, grouped under the headings, State, church, family, labor, charity and pauperism, child problem, criminology and penology, economics, lodging houses, municipal problems, etc. These notes are followed by short bibliographies, which are not always as complete as they ought to be, nor are they in many cases well chosen. If some clearer idea of the province of Sociology had governed the editors in the selection of material for the Handbook, it would be of more value to those students who already have some knowledge of these topics. As it is, there are, doubtless, many elementary students of social questions and some practical workers in charities and municipal reform problems, who will find the Handbook useful for reference, but for a guide to serious study of the topics mentioned, they must needs look elsewhere.

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THE SOCIETY FOR EDUCATION EXTENSION, of Hartford, Conn., has opened in that city a School of Sociology, whose future fortunes will

\**A History of the United States*. By ALLEN C. THOMAS, A. M., Professor of History in Haverford College. Pp. 410, lxxii. Price, \$1.12. Boston: D. C. Heath & Co., 1894.

†*Handbook of Sociological Information, With Especial Reference to New York City*. By WILLIAM HOWE TOLMAN, Ph.D. and WILLIAM I. HULL, Ph.D. Pp. 268. Price, \$1.10. New York: The City Vigilance League, 1894.



be watched with interest. The leading spirit in this ambitious enterprise is Professor Chester D. Hartranft, of the Hartford Theological School. The motive of the experiment is the widespread interest in sociological subjects at the present time, coupled with the confessedly unsettled state of sociological opinion. A twofold result may be hoped from the success of the school, the dissemination of accurate information and inculcation of sound methods among those called upon to deal with these questions in practical life, and secondly a distinct contribution to the science of sociology itself.

The founders of the school appeal to a hitherto somewhat neglected professional interest. In the management of charitable and educational trusts in the active work of political and social reform and in journalism, they find a field where the training they offer is sadly needed. They believe that the professional sociologist has work to do outside of college walls and they aim to prepare him for that work. As regular students, therefore, candidates for the degree of Bachelor of Sociology, only such persons of either sex are eligible as have already obtained a collegiate bachelor's degree. Other persons are admitted as special students. In the fullest sense, therefore, the institution is a post-graduate school.

The instruction, which covers a period of three years, will be given by lecture courses, varying from three to twenty lectures. For the first year the following lecturers have been secured:

Chester D. Hartranft, D. D., President, "The Encyclopædia and Methodology of Sociology;" Professor John Bascom, LL. D., of Williams College, "The Philosophy of Sociology;" Professor Austin Abbot, LL. D., Dean of the New York University Law School, "The Family, Legally Considered;" Professor Clark S. Beardslee, M. A., of the Hartford Theological Seminary, "The Family, Theologically and Ethically Considered;" Samuel W. Dike, LL. D., Secretary of the Divorce Reform League, "The Family as a Modern Problem;" Henry Smith Williams, D. D., of New York, "Heredity;" Mrs. Alice Peloubet Norton, authoress, "Domestic Economy;" Professor Roland P. Falkner, Ph. D., of the University of Pennsylvania, "General and Special Statistics;" Professor Otis T. Mason, Curator of the Ethnological Department of the National Museum, "Ethnology;" Professor William Libbey, Jr., Ph. D., D. Sc., of Princeton College, "Effect of Environment on the Social Structure;" Professor Charles M. Andrews, Ph. D., of Bryn Mawr College, "The Community;" Curtis M. Geer, Ph. D., Fellow of Hartford Theological Seminary, "Institutions;" Professor William M. Sloane, LL. D., of Princeton College, "The Nation;" Professor William O. Atwater, Ph. D., and Professor Charles I. Woods, B. S., of Wesleyan University, "Food, Historically and Scientifically

Considered;" George Keller, Hartford, "Shelter, Historically and Sanitarily Considered;" Professor Dwight Porter, Ph. B., of the Massachusetts Institute of Technology, "Sanitary Engineering."

The first year will also include courses on "The Family, Biologically Considered," "The Evolution of the Family," "The Status of Women, Historically and Scientifically Considered," "Population," "The Growth of Cities and Decline of the Country," "Dress" and "Sanitary Science," the lecturers for which have not yet been announced.

The instruction of the lecturers will be supplemented by a weekly sociological conference under the leadership of Dr. David I. Green. Special attention will be paid by the governing authorities to investigation of social phenomena by the students themselves, and to the acquisition of practical experience through the various agencies now at work in several parts of the sociological field.

## MISCELLANY.

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### INTERNATIONAL CONGRESS OF HYGIENE AND DEMOGRAPHY.

The Eighth International Congress of Hygiene and Demography was held at Budapesth September 1 to 9, 1894. Like its predecessors, this Congress was a huge affair. As many as 2500 persons took part and the program contained a formidable list of 700 papers. Despite the size of the Congress, the local committee, under the leadership of Professors Joseph Fodor and Coloman Müller, succeeded in directing the unwieldy body with conspicuous address. While we can record here only the scientific work of the Congress, it would be unjust to pass over without a word the cordial hospitality of the people of Budapesth, the successful arrangements made for the entertainment of the members of the Congress, and the ample opportunity offered for that personal intercourse which constitutes, perhaps, the chief value of such gatherings to those who take part in them.

In numbers the hygienic division of the Congress far outranks the demographic. The work of the division was carried on in as many as nineteen sections, and so numerous were the papers presented that some of the sections held continuous sessions. The record of their work must be looked for in the medical and kindred journals.

The demographical division of the Congress, which in its minute study of the phenomena of population has a more direct bearing on social science, was far more compact than the hygienic department. Its members were not so numerous, and the disadvantage of large numbers was not so keenly felt. The work of this division, as well as the other, consisted in public lectures of a rather popular character, and papers read in the various sections of the division. Public lectures, which called together the entire division, were given in the course of the Congress by Professor Emile Levasseur (Paris) on "The History of Demography," and by Dr. Georg v. Mayr (Strassburg) on "Statistics and Social Science." The former was a rapid review of the development of the interest in and study of population statistics, while the latter attempted to define the position which statistics occupy in the investigation of social phenomena.

The work of each of the seven sections was not entirely continuous, but it was possible, however, to hear only a part of what was offered. It may be questioned whether the separation into so many sections was a wise provision. A few meetings with a carefully selected program would have been more satisfactory, if it would have been



equally successful in bringing together as many members. We can only give the titles of the papers actually read, neglecting a number perhaps half as large which were announced but not presented. The titles are here given in English, though that language was not heard so frequently at the Congress as French and German :

#### SECTION I.—*Historical Demography.*

- Levasseur* (Paris). The purpose of historical demography.  
*Puschman* (Vienna). History of epidemics.  
*Lanczy* (Budapesth). Epidemics in the Middle Ages.  
*Inama-Sternegg* (Vienna). Historical consideration of the problem of the length and change of generations.  
*Beloch* (Rome). History of agglomerations, especially of large cities.  
*Levasseur* (Paris). History of agglomerations, especially of large cities.  
*Mandello* (Budapesth). Urban immigration and the sociological structure of population.

#### SECTION II.—*General Demography.*

- Stieda* (Rostock). The doctrine of Malthusianism.  
*Lang* (Budapesth). Statistics of nationalities in Austria and Hungary.  
*Hjelt* (Helsingfors). Changes in the structure of Finland's population, 1750-1890.  
*Wirth* (Vienna). Statistics of independent and dependent laborers.  
*Guillaume* (Berne). Results obtained in Switzerland with a new card for mortality statistics.  
*Goehlert* (Vienna). On marriages between blood relations.  
*Büben* (Mária-Nostra). Incendiary women from the standpoint of criminal anthropology.  
*Treille* (Algiers). Germans in Algiers since the conquest.

#### SECTION III.—*Technique of Demography.*

- Advantages and disadvantages of the card system, papers by *Blenck* (Berlin), *Mayr* (Strassburg), *Rasp* (Munich) and *Mischler* (Graz).  
*Blenck* (Berlin). The determination of persons belonging to the highest age classes in Prussia.  
*Körösi* (Budapesth). Intensity of social life.  
*Verrijn Stuart* (Hague). Social classes in demography.  
*Rath* (Budapesth). Social classes in demography.

#### SECTION IV.—*Demography of Agricultural Classes.*

- Verkauf* (Vienna). Illegitimate births in agricultural districts.  
*Thuroczy* (Nyitra). Relation between the mortality and the size of villages.

*Leidig* (Marienwerder). Connection between migrations and economic position in Germany.

*Rühländ* (Zürich). Methods of agricultural colonization with especial reference to Hungary.

*Zorich* (Agram). Associated households.

*Fekete* (Budapesth). Alcoholism among the agricultural classes.

*Nagy* (Budapesth). Alcoholism among the agricultural classes.

*Vanlez* (Ghent). The social plan of Ghent.

#### SECTION V.—*Demography of Industrial Classes.*

*Scheel* (Berlin). Critique of the data obtained by obligatory laborers, insurance, and their utilization.

*Ballai* (Budapesth). Critique of the data obtained by obligatory laborers insurance, and their utilization.

*Schuller* (Mollis). Hygienic results of factory inspection in Switzerland.

*Békésy* (Budapesth). Hygienic results of factory inspection in Hungary.

#### SECTION VI.—*Demography of Cities.*

*Sedlacek* (Vienna). Increase of population in large cities in the nineteenth century and its causes.

*Böckh* (Berlin). Rôle of changes in locality in the increase of large cities.

*Rauchberg* (Vienna). Economic and social significance of the movement toward the cities.

*Thüring* (Budapesth). Natural increase and immigration at Budapesth.

*Cacheux* (Paris). Influence of special conditions of dwellings in cities on health and mortality.

*Bertillon* (Paris). Comparative statistics of dwellings in some large cities of Europe.

*Newsholme* (Brighton). Rates of mortality in artisans block dwellings.

*Worthington* (London). Mortality in model tenements.

*Polak* (Warsaw). Influences of hygienic conditions of dwellings on mortality from contagious diseases.

*Neményi* (Budapesth). Influences of city dwellings on health and mortality.

*Sil'engleit* (Magdeburg). Infant mortality in the large cities of Europe.

Special characteristics of natality and mortality in large cities, papers by *Bleicher* (Frankfort-on-the-Main), *Fortunatoff* (Moscow), *Juraschek* (Vienna), *Körösi* and *Thüring* (Budapesth) and *Rubin* (Copenhagen).

SECTION VII.—*Demography of the Defective Classes.*

*Peck* (Budapesth). Effect of physical and mental defects on capacity for military service.

*Donath* (Budapesth). Degeneration of the population in modern civilized nations, with especial reference to Hungary.

*Millanitch* (Cettinje). Statistics of defective classes in Montenegro.

*Warner* (London). A method of observing and reporting on mental and physical conditions of children.

*Shuttleworth* (London). Educational care of children feebly gifted mentally.

*Cunningham* (Cambridge). The condition of the teeth of school children.

*Kraft-Ebbing* (Vienna). Increase of progressive paralysis, with reference to sociological conditions.

*Olah* (Budapesth). Causes of paralytic alienation.

*Uchermann* (Christiania). Statistics of deaf mutes and method of such statistics.

*Böke* (Budapesth). Deaf mutes.

*Baumgarten* (Budapesth). Causes of deaf mutes in Hungary.

*Szenes* (Budapesth). Examination of 124 deaf mutes.

*Reuss* (Vienna). Statistics of Trachoma in Austria.

*Vossius* (Giessen). Statistics of Trachoma.

*Conrad* (Hermannstadt). Relation of intellectual labor to abnormal cranial formations.

It will be seen from the foregoing lists that the official statisticians were predominant. One of the pleasantest features of the Congress was the opportunity given to meet the statisticians from the leading statistical offices of the world, and the visiting statisticians will gratefully remember the kindness of their Hungarian colleagues, Messrs. Körösi, Jekelfalussy and Lang, in facilitating this intercourse. Among the participants in the Congress, besides those who read papers, were Bodio, Ferraris, Loria, Spitta and Del Vecchio, from Italy; Crupenski, from Roumania; Westergaard, from Denmark; Alglave and Turquan, from France; and Walker, Billings and Falkner, from the United States.



## NOTES ON MUNICIPAL GOVERNMENT.

**Philadelphia.**—The Mayor's message and annual reports for 1893,\* which have just appeared, show a more favorable financial condition of the city than during any previous year. The large surplus on hand December 31, 1893, amounting to \$1,248,746, is due, to a certain extent, to the settlement of the personal property tax dispute between the city and State. The nominal funded debt of \$52,758,845 is actually reduced \$27,928,482, when we take into consideration the sinking fund of \$24,830,363. This means a per capita indebtedness of \$25. When compared with Brooklyn and New York, not to speak of Boston, this burden of indebtedness is comparatively light. The total city debt of Brooklyn on December 31, 1893, was (deducting sinking fund) \$47,338,499; a per capita indebtedness of \$54. That of New York is a little less than \$100,000,000; a per capita indebtedness of \$65.

The investigation of the alleged violation of reservoir contracts, now pending before the Philadelphia Courts, in which it is claimed that the contractors have defrauded the city to the extent of some three hundred thousand dollars, brings up one of the most important and at the same time one of the neglected aspects of municipal government in the United States. While we have been stripping our City Councils of all executive functions, and concentrating these powers in the person of the Mayor, little or nothing has been done to assure an adequate administrative control over public expenditures. After once having made an appropriation, all control over the manner of its expenditure passes out of the hands of Councils as long as the executive department keeps within the scope of the appropriation. In most cities there is no official in the finance department who has the power to exercise a direct and efficient control over the character of the work done. This was brought out with great clearness at the cross-examination of the Philadelphia City Controller. Mr. Thompson stated that, having received the certified reports of the Department of Public Works that the work had been satisfactorily done, he signed the warrants for the same. In fact, no other course was open to him, inasmuch as he has no inspectors under his immediate direction to look into the work. It is true, that if any complaints are made, he may

\* Vol. I contains the Reports of the various financial officers of the city, 314 pages. Vol. II—The Reports of the Department of Public Safety, 975 pages. Vol. III—Reports of the Department of Public Works, 800 pages. Vol. IV—Reports of the Department of Law, Educational Charities and Corrections, 385 pages.

refuse to sign the warrant ; but as such complaints are referred to the Department of Public Works, it is evident that the probability of detecting delinquent contractors is greatly reduced. There is here a radical defect in the organization of the Finance Department. If the City Controller is to have an effective financial control over expenditure of public funds, it is absolutely necessary to give him the power of independent supervision through a corps of trained inspectors under his immediate control. The need of such power is shown by the helplessness of the Philadelphia Controller in the present case. If any further proof be needed, it is only necessary to cite an instance which was brought to my notice a short time ago. The Comptroller of New York City has all the powers above referred to. He has under his immediate and exclusive direction inspectors of highways, of food, of supplies, etc. Every piece of contract work performed for the city, after having received a satisfactory certificate by the respective department, is subject to the inspection of the comptroller's agent. A few weeks ago the work under a paving contract, involving \$80,000, was found to be defective by the comptroller's inspector. This was after the satisfactory character of the work had been certified by the inspectors of the Department of Highways and the Water Bureau. The comptroller immediately stopped all payment, and appointed a commission of three experts to examine the work. Their inspection showed numerous violations of specifications. The danger of fraud is thus reduced to a minimum, which often means a saving of thousands of dollars to the city treasury. The experience of Philadelphia shows conclusively that this additional power must be given to its Controller.

**New York.**—The events of the last two months in both the city and State have been full of interest to the student of municipal questions. The Constitutional Convention which is about to complete its work will have introduced several important changes in the relations between State and municipality. The exact nature and import of these changes will be discussed in a subsequent number.

The coming mayoralty election promises to be the most interesting in the history of the city. As matters stand at present there is every indication that the issue between Ring Rule and Reform will be clearly defined. The recent action of the Democratic Convention serves to clear the atmosphere. The independence of the electors of New York City will be put to a severe test. One of the most encouraging signs in the reform movement has been the great citizens' mass meeting held at Madison Square Garden, the outcome of which was the appointment of a committee of seventy representative citizens, who undertake the difficult problem of concentrating divergent political forces on a purely municipal issue. It is too early at present to venture

and predictions as to the success of this movement. The example of New York will go far toward encouraging the new municipal spirit in other cities. In its address to the people of New York, the committee says: "Convincing proofs of corruption in important municipal departments of this city have been presented; inefficiency, ignorance and extravagance in public office are apparent, and business principles in the conduct of affairs of this municipality are set aside and neglected for private gain and partisan advantage. The present government of this city is a standing menace to the continued commercial supremacy of the metropolis and strongly concerns the welfare of every family in the whole country, for there is no hamlet in the land that the influence of New York City does not reach for good or evil."

**Chicago.**—The report of Mr. G. P. Brown on "Drainage, Channel and Waterway"\* is a valuable contribution to the perplexing problem of sanitary drainage in our great cities. It is described as a "history of the effort to secure an effective and harmless method for the disposal of the sewage of the city of Chicago, and to create a navigable channel between Lake Michigan and the Mississippi River." In the main it deals with the project of a canal between Chicago and Joliet which is fast becoming a reality. The work on the main drainage canal was commenced in September, 1892, and it is expected to be completed by 1896. The vastness of the undertaking makes it of more than ordinary interest to follow the plan in its later stages. In 1889 the Illinois Legislature passed what is known as the "Sanitary District Act." It provided that whenever any area of contiguous territory within the limits of a single county contains two or more incorporated cities, towns or villages, and so situated that the maintenance of a common outlet for drainage would be conducive to the preservation of the public health, such territory may be incorporated as a sanitary district. Upon the petition of five thousand legal voters of the proposed district to the county judge the question of incorporation is to be submitted to the voters. A majority in favor of such incorporation is necessary in order that such sanitary district may be formed. By an overwhelming majority (70,958 for, 242 against) the question of incorporation was decided in the affirmative. The act provided that the executive authority of each sanitary district should consist of a Board of Trustees composed of nine members elected for a term of five years by the electors of the Sanitary District. This board was given very wide

\* "Drainage, Channel and Waterway. A History of the effort to secure an effective and harmless method for the disposal of the Sewage of the City of Chicago, and to create a navigable channel between Lake Michigan and the Mississippi River," by G. B. Brown. Pp. 480, Chicago, R. R. Donnelly & Sons Company. 1894.



powers as to the borrowing of money, purchasing real estate and levying a "direct annual tax sufficient to pay the interest on such debt, as it falls due, and also to pay and discharge the principal within twenty years." The first Board of Trustees seems to have made but little progress in the work. The resignation of three of their numbers brought about a reorganization in 1891, from which time the work has been pushed with great energy and success.

The plan, as it exists at present, is to build a canal—utilizing portions of the old sanitary canal—from Chicago to Joliet. In this way the sewage of Chicago will be discharged into the Illinois and Mississippi rivers. The channel is expected to become a great waterway between Lake Michigan and the Mississippi. It is to be 160 feet wide with a water-depth of eighteen feet. In September, 1892, work on the first ten miles (from Willow Springs to Lockport) was commenced. The cost of the canal when completed is expected to be \$25,000,000, of which nine millions are to come from the "Sanitary District tax," of one half of one per cent on the assessable property, one million from special assessments and the balance from the issue of bonds.

The most interesting feature of this stupendous undertaking is the effect of this drainage canal upon the water supply of Chicago. With all sewage thus kept out of Lake Michigan, the problem of a bountiful supply of pure water to the rapidly growing city is solved. For an indefinite number of years Chicago will then have an unlimited supply of the best of water.

Berlin.—The administrative reports for 1892-93 \* and the budget for 1893-94 contain a mass of valuable information concerning the finances and institutions of the city. Of a total income of nearly \$21,000,000, taxation furnished less than half (not quite \$10,000,000). Of the remaining \$11,000,000, the profits from the city gas and water-works and franchises furnished more than \$5,000,000, loans a little over \$3,000,000. The remaining \$3,000,000 were derived from special assessments, school money and a few minor items. The report on the city debt furnishes an instructive picture of the judicious management which pervades the whole administration. The total city debt March 1, 1893, was nearly \$64,000,000. Of this sum, five and a half millions is charged to the account of the city gas works and ten millions to the water works, seventeen millions to drainage, two and a half millions to the city slaughter house and five millions to the city markets. According to the system of financiering at Berlin the interest and amortization charges must be paid by each of the city's public

\* "*Verwaltungsbericht des Magistrats zu Berlin, 1892-93.*" Containing 39 separate reports of the Deputations or Committees in charge of the various Departments of the government.

works upon the debt contracted for its benefit. It is only after this sum has been deducted that the question of profits is considered. It is evident, therefore, that while the nominal debt of the city may be high, four-fifths of the entire sum represents profit-bearing enterprises, which not only pay their own interest and amortization charges, but yield a handsome profit in addition.

The special reports concerning such institutions as the city markets, parks, bath houses, children's playgrounds, municipal savings-banks and pawn shop, not to speak of such gigantic undertakings as the system of sewage farms, all give evidence of the remarkable activity of this, the newest of great cities. The cry for the incorporation of the immediate suburbs is again being taken up and although the city fathers are somewhat reluctant to take upon themselves the added responsibility, the time is fast approaching when they will be compelled to gracefully accept the inevitable. The enthusiasts of municipal aggrandizement advocate the incorporation of all the territory within a ten-mile radius of the intersection of the two central main streets—*Friedrich Strasse* and *Unter den Linden*. This will give Berlin a population of about three million within an area less than that of Philadelphia or London.

**Italian Cities.**—The publication of the communal and provincial budgets of the Kingdom of Italy, a work undertaken by the Bureau of Statistics of the Ministry of Agriculture, Industry and Commerce in 1863 and continued with but little interruption, forms one of the most valuable sources of information for the study of this department of Italian public finance. The Annual for 1891 has just appeared giving in classified form, complete information concerning the financial condition of the Italian Communes and Provinces. The total expenditure for purposes of purely local government is \$128,975,093, which is remarkably low when compared with the State expenditure of \$374,426,654 for the same year. The same is true of local indebtedness, which amounts to about \$235,130,684 whereas the State indebtedness is nearly ten times as great (\$2,248,200,000). This is due to the fact that the State discharges many functions which in the United States are saddled upon local divisions. The lack of space makes it impossible to summarize the many interesting tables. We have here just such a publication as has been recommended by nearly every investigating committee which has inquired into the financial condition of American cities.

L. S. ROWE.

JAN.

1895.

ANNALS  
OF THE  
AMERICAN ACADEMY  
OF  
POLITICAL AND SOCIAL SCIENCE.

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ECONOMICS IN ELEMENTARY SCHOOLS.\*

Political economists, in their zeal for scientific advance, have concentrated their attention upon technical discussions. They have dwelt upon disputed topics and have rejoiced in the discovery of new truth. But they have overlooked the more obvious economic laws and phenomena which are of general interest. Economic controversy at any particular time wages around certain points selected, not because they are really the points of public interest, but for reasons connected with the internal development of the science. The makers of text-books innocently suppose that this controversial literature is suitable material for their purpose, and the result is that the body of economic truth over which there is little or no controversy finds no adequate expression. The economic literature, in consequence of the absence of these leading ideas, is defective, and creates a false impression of the relation between the established and accepted facts of Political Economy and its disputed propositions.

As long as the text-books reflect the tone of the literature, there is small chance of introducing economics into the

\* A lecture given in the Summer Meeting of the American Society for the Extension of University Teaching, Philadelphia, July 18, 1894.



schools unless this technical literature is avoided and a return made to those first principles which lie back of all discussions. These principles are of so general a character and of so simple a nature that they enter naturally into the child's world and can be illustrated by many striking examples based upon the experience of children. While the actions of the adult are much more complex than those of a child, the motives in the two cases are not as different as might be supposed. It is possible, therefore, to use the material of a child's life to prepare him for the more intricate economic world with which he will become familiar when a man.

It is generally conceded that the basis of political economy is found in the theory of utility. It is the aim of economics to discover how to increase our utility and how to reduce our cost. We must develop this theory of utility in all its phases if we really wish to get at the economic forces operating in any community. But the economists have touched upon this theory merely at one point. Those familiar with political economy know what I mean by the law of final utility. This law is all-important in questions relating to the theory of value. We must know something about degrees of utility before we can determine what the value of commodities is, but the problem of value, vital as it is to us, has no interest for children, because their life is not a life of cost. The cost of articles consumed by children is borne by parents or friends, and if they have acquired an interest in the cost of commodities, it is due to their environment, or false notions of their teachers. I do not mean to deny that, as has been asserted by so many economists, the ideas of value and cost can be presented to the children in public schools, but I do say that other doctrines derived from the theory of utility are of much more importance to the children of the public schools, and to adults as well. We should be much better off if we would develop first these fundamental ideas in our social life as well as in the life of our children.

The theory of utility is not so formidable as it seems at

first sight. It is merely a conscious reckoning of our pleasures and pains. Passions and strong feelings are best controlled by analysis of our pleasures and pains into their parts so that we can determine the degree of each feeling and give to it a proper weight in determining our actions. If we do not consciously sum up our pleasures and pains and compare them, the strong unanalyzed feelings of the moment carry us along, determining our conduct to the detriment of our permanent welfare. Experience cannot properly guide our actions until the habit is acquired of separating these momentary impulses into their parts and comparing the benefit or injury of each part with the results of past actions. This conscious analytical attitude gives us the principles of action which form the theory of utility.

*Initial and Final Utility.*

It is important for children to understand the difference between the initial and the final utility of a given quantity of goods. The first portion of an article we consume gives us more pleasure than the second; the second more than the third; and the third more than the fourth. In other words, we have a decreasing utility with each increase in the quantity of goods. Any one having four cups of coffee will recognize that the intensity of the pleasure from the first cup is greater than that from the last. As matured persons we look on the problem of valuing commodities in this way. If I have four apples and lose one, I lose, not the pleasure I get from the first apple, but the pleasure I get from the fourth. With the child, however, as in the brute world, the estimate is different. The child's estimate of utility is based on his initial desire. He is thinking of the first pleasure he will get, and does not realize that if a part of what is before him is taken by some one else his loss is small.

Let me illustrate by taking the case of a lion that has captured a deer. If another animal tries to take a portion of

the spoil the lion resents the act because he does not realize that he can eat only a portion of it. He only recognizes that he has an intense desire for meat. He is not thinking of portions of food but of food as a unit. Our children act the same way. It is natural for them to think of commodity and not of portions of commodity. They can very easily be taught the difference between the two ways of estimating if the facts are presented in the right way. On all sides we can see the injury to the child due to his failure to understand this difference. If he understood the fact that his interest lay in the final utility, and not in the initial utility, his conduct would be more generous and he would be willing to let some portions of each commodity go to other persons. We have all seen children at table hungrily watching their elders served first, while they suffer as much as if they would receive nothing. This is an error in their reasoning, an error which can be corrected very soon if the proper facts are presented to them. They do not realize that one portion of a commodity is no more valuable to them than another portion and that a part can be given away without much loss.

If one boy has apples to-day and another boy will have apples to-morrow, both will get more pleasure from the apples if one gives a part of his apples to the other than if each tried to eat all his own himself. If one has two apples and gets five units of pleasure out of the first and two units out of the second, he gets seven units of utility. Suppose he divides his apples with the boy who has none to-day but will have some to-morrow. The boy gives away the apple which would only give him two units of pleasure. The two boys would then have ten units of utility. On the morrow the process is reversed. We have the seven units of utility again transformed to ten units by the generous action of the other boy. By a careful education we can bring these important facts to the boy's consciousness at a much earlier period than they would come if we neglect them and let him find them out for himself.



*In a Group of Pleasures and Pains, the Pains Should  
Precede the Pleasures.*

Under the conditions in which we live we can always discount pains by paying in advance, and increase pleasures by taking them last. If any decision involves pain, take the pain first and the pleasure will be increased. An individual desiring to avoid some present evil wrecks his future by trying to get pleasures to-day instead of manfully facing the present evil. No habit is more pernicious than that of catching at any present good and blindly closing the eyes to the miseries which flow from such conduct. The great majority of criminal acts are due to the choosing of the wrong alternative in such emergencies. Bad conduct is caused by trying to reverse the natural order, and to avoid present pain by eating your apple before you earn it. Persons who try to reverse this order run behind at the end of the year, get into prison, and suffer in many other ways.

The benefits of saving, so vital to the welfare of individuals and of society, can be plainly illustrated if we can get the child to see that he can discount his pains and get compound interest on his pleasures. Economic welfare depends mainly upon forestalling pains by anticipating them and upon accumulating pleasures by delay. If a person waits until want stares him in the face, his utilities will be few and their cost high. Costs are reduced and utilities are increased by every industrial change that allows work to be done a longer time before the want to be satisfied appears. The indirect or serial methods of production lengthen the time between production and consumption permitting a better adjustment of man to nature.

It is but a further development of the same thought that pains should be isolated and pleasures should be bound together by association. The imagination plays an important part in determining future conduct. It creates many binding associations about every future event through which the event is greatly magnified and distorted. A small pain

becomes a mountain of tribulation and misery if it is held in prospect long enough to become associated with every other evil imaginable and possible. There are no greater sufferers than those who have allowed their possible pains to run together in imagination until any small pain in the future brings up and binds with it a mass of other imagined evils. Each prospective pain thus becomes a centre about which the imagination accumulates others until the action involving it seems to create a great disaster. One ought never to let the imagination play on pains, but ought always to isolate them and reduce them to the barest reality.

Teachers and parents are apt to violate this principle. They seek to show that any little act will lead to dire disaster and thus teach the child to imagine new combinations of accumulated evils so as to deter him from the act to be avoided. It seems easy to keep children from bad acts by painting horrid pictures of the consequences flowing from them. A temporary end may be thus attained but at a fearful loss. The habit of visualizing pictures of horrid evils undermines the character of the child. It causes him to avoid or delay every act involving pain and unfits him for the economic world in which pains should precede pleasures.

In matters of health the same unwise policy is pursued. If a child's appetite fails him, it is awakened into activity by richer and more enticing food, when the failure should have been accepted as an indication of a tired stomach. A slight pain bravely faced at the start would have remedied the evil in a short time, but when it is delayed and when certain stimulating pleasures are pushed forward out of their proper order the whole system is deranged, new evils are added, and a long period of sickness follows, from which all pleasures are shut out. The delay of necessary pain is as dangerous as the delay of pleasures is wise.

The habit of facing evils without delay is the basis of some of the best of the virtues. Courage, patience and fortitude are the outgrowth of this habit. When a brave

man sees an obstacle in the way of his future happiness, he does not temporize with it and let its evils accumulate. He faces it squarely on the first opportunity, knowing that whatever the outcome may be the pain is less if quickly met. The patient man does not let a present irritation lead to conduct that will create new evils for the future. Fortitude is shown by those who see that present evils are the necessary results of past acts, and are only aggravated by morbid attention or delay.

Pains can often be converted into pleasures by isolating them and putting them ahead of the pleasures. Pains that are the indications of future pleasures become pleasurable through association. Hunger, when not associated with other pains, brings up the picture of the pleasant dinner soon to come. The pain is forgotten in the anticipated pleasure of the coming meal which is so vividly pictured by the imagination. It is also an error to think of the act of saving as a pain. While it is true that saving means a delay of some pleasure, and this by itself would not be agreeable, yet if the imagination pictures the accumulated benefits of saving, and does not make the denials involved in saving hideous through false associations, the feeling accompanying the act of saving will be pleasant and not painful. A fortune may be accumulated without any consciousness of the denials it involves if the efforts of production are isolated in thought, and reduced to a bare reality, while the imagination is given free play in picturing the accumulated pleasures which the future has in prospect.

Much of the discomfort of summer is due to a violation of this principle that pains should be isolated and put before pleasures. Energy in a hot climate produces excessive perspiration—something which most people desire to avoid. A host of evils is associated with it, and the imagination piles them up until a simple expedient of nature to preserve health is made to seem a dangerous nuisance. Colds, fevers, rheumatism, malaria, and numerous other diseases are



associated in the imagination with perspiration, until it seems that the only healthy place in the summer is on some bleak mountain or at the seashore out of the reach of the summer's sun and its effects.

The inactivity and the insipid pleasures of a summer resort are not the best rest for active persons. Something more than a fan or a breeze on a hotel porch is needed to fit the system for a winter's work. Yet this form of recreation, having been made an ideal, shuts out the more active sports that involve the expenditure of energy and exposure to the sun. Activity in summer becomes pleasurable if followed by a bath and by clean clothes. Perspiration should be associated with bathing and fresh clothes, and not with the discomforts of foul, damp clothes or with the diseases of carelessness and filthiness. People living in a hot climate must be free bathers, or soon lose their energy.

It is often overlooked in America that our ancestors came from a colder climate, where perspiration was not a normal condition in summer, and where heavy clothing even in the summer time was a necessity. Such a people could do their work without much perspiration, and could cling to their soiled clothes without danger. The habits of one age are not fit to become the ideals of the next, and yet they are often the most difficult parts of a civilization to change. Americans must disassociate perspiration from disease and associate it with their pleasures if they will preserve that energy and activity in summer which the best utilization of our resources demand. Children should be taught this necessary fact if we wish them to become workers. Much of the inactivity and indolence of young men and young women is due to false ideals on this subject acquired when children. By a neglect of this principle we allow our children to grow up forming bad characters when we might put other possibilities within their reach and develop those qualities we know they should have.

*A Life of Unalloyed Pleasure.*

The next problem is one of an ideal. Shall our ideal be to avoid pains and get as much pleasure as we can without pain, or shall we sum up our pains and pleasures and take that line of action which gives us the greatest surplus of pleasure? We are always acting on the one plan or on the other. We can so live, or at least, a very primitive community could so live, as to get many commodities without pain. A people who make it their rule of life to avoid pains and to take only those commodities that give pure pleasure could, perhaps, find a few places at the present time where they could prosper. On the contrary, if we had a people that made it their fundamental rule of life to compare pains and pleasures and to take the surplus, we would find them distributing themselves in a different way on the face of the earth, living in different and better conditions.

Herbert Spencer says the ideal life is a life of unalloyed pleasure, a life of no pain.\* The utilitarians of the type of John S. Mill are the representatives of the other thought. They think we should consciously reckon with pleasures and pains, and we should determine our conduct by the surplus of one above the other, rather than by those actions which will give us pleasure alone and will not lead to any suffering, loss, or discomfort.

We can see many acts in which the main element is pleasure, with pain a very subordinate element, or no element at all. Many sports and a number of our ordinary pleasures have no element of pain in them. The ordinary sports of the child, on the contrary, such as base-ball, or foot-ball, have severe pains connected with them. The boy must go into them with a consciousness that it means lame legs, broken fingers, scratched faces and other discomforts. He must take the pain with the pleasure. If he shrinks from anything that has pain in it, he will avoid these games, watching carefully for chances where he can get pleasure

\* "Data of Ethics," Sec. 101.

without pain. He will reduce the sum of his pleasures very much by avoiding the pains of the vigorous sports. The intense pleasures of life will no longer be his, although certain moderate pleasures which his more active companions would call insipid, may still be enjoyed. All our intense pleasures are accompanied by pains. We have to avoid the intense pleasures of life if we want to escape its pains.

A good illustration of this fact is found in the difference between boys' and girls' pleasures. The ordinary girl and the ordinary boy are educated on different plans. We all encourage the boy to enter those pleasures that are intense and take the pains that belong with them. To bear pains manfully is thought to be the best method of character making. By choosing the intense pleasures and the pains that necessarily go with them, he may once in a while have intense suffering, as every one knows who has taken part in any of the ordinary sports, but he will greatly increase the sum and intensity of his pleasures. Girls are taught to act in a different way. Our main thought is to keep them out of everything that has pain or discomfort connected with it. That is the first principle of girls' education. We keep them from doing this or that act because they may soil their clothes, dirty their hands, scratch their faces, or do something worse. They must always be in a static state, at a point of equilibrium. In this way we may make them a greater source of pleasure to ourselves, but we prevent their moral development and cut down their pleasures. A girl grows up under these conditions and her life is an insipid life. It has not the elements in it from which she can obtain the pleasures and the development that a boy finds in his environment. Boys all recognize this fact when it applies to one of them. When one has an over-kind mamma who allows his hair to grow long and keeps him dressed in fine clothes, they know that he is a worthless boy. If you do to a boy the same thing you do to a girl you have the same result. Such a process prevents the building of character. Many things that are said



to be the outcome of sex are merely the outcome of education. Character building comes at the time when we must face our pains manfully; when we make choices that involve pains along with the pleasures and abide cheerfully by the results. The process of character building begins at a later period with women than it does with men. If, however, we compare men and women later in life, the average woman has a better character than the average man. When a woman is married and takes upon herself the duties of married life, she faces the evils of the situation and creates her character. The position of the mother demands greater sacrifices than that of the father and a greater willingness to subordinate herself to the interests of her family. Her character is ennobled by these choices and she gradually acquires those qualities which have made the word "mother" so full of meaning.

#### *The Basis of Credit.*

The next principle relates to credit, trust, honor and fidelity: that group of virtues that creates confidence and gives to each member of society a feeling of certainty that others will do as they agree. The basis of these qualities lies in the economic world. Isolated individuals who do not live in an economic society have not these qualities and are unfaithful to their trusts. The development of these qualities is due to the fact that but a small part of the utilities we enjoy comes from our own locality. If the people of any region should be shut off from the world at large there would be a great reduction of their utilities; starvation might even result. If we think for a moment of what could be produced if we were confined to our own neighborhood, we will recognize how meagre are our local resources. Our high civilization is caused by getting commodities elsewhere, and sending our commodities away in exchange. No matter how rigid we may make our laws they are of no account if a mutual feeling of trust and confidence does not lie back

of them. Law can be enforced only by the will of the majority, and if the feelings of the majority are not strongly on the side of law, the exchange of commodities is obstructed and each community must restrict its consumption to what it produces. To make exchange effective a willingness to trust commodities in the hands of other persons must be supplemented by a feeling of honor in these persons prompting them to be faithful to this trust. These qualities are social and must be developed together. The standard is made by the action of the community or by particular classes of persons in the community. We all enjoy the benefits of this standard and should see that our own acts tend to raise and not to lower it. Breaches of trust reduce the confidence of man in men and tend to isolate communities and nations. Whoever defrauds another in this way injures not only an individual but the whole community; he steals a public good as well as a private good and deserves a greater punishment for the former than for the latter.

It is easy to show the child that a large part of the utilities he is accustomed to enjoy could not be had at all, but for these social qualities. Sugar depends on the honor and the credit of the community, because it could not be obtained from distant countries nor be refined unless individuals and nations had these qualities. Destroy them and we destroy the industrial relations by which we are surrounded. We make a mistake in considering honor an absolute quality, as something resulting from morals, and having nothing to do with economics. As we develop in civilization we isolate our moral feelings from economic feelings. In the case of a child, however, living in an economic world, the best way to arouse moral feelings is to present to him the economic basis upon which our moral principles rest.

Children can be made to see the simple economic relations lying back of our moral ideas by examples taken from their own world. In boys' games honor is as important as in the

business world. If a few boys are dishonest and cheat or lie, the pleasure of the whole group is marred or destroyed. There must be a mutual confidence among them all or the whole group will suffer from the feeling of distrust which is sure to arise. Boys despise base action more keenly than men and they can be made to see the great economic gains due to credit, confidence and honor by the influence of these qualities upon their own pleasures.

*The Sacredness of Unprotected Property.*

There is another thought closely related to the last which should also be presented to children in school. This is the sacredness of unprotected property. The primitive concept was that might made right—that possession was nine points of the law. If the owner is not around, the thing you find is yours. The modern thought is that nothing is yours because you find it somewhere unprotected. The individual to whom it belongs has a right to his property when he comes back, and that man is of a low type who even thinks of taking it. If this principle is violated, if we set up the doctrine that a man may seize all he can get, and may keep what he has found, it will destroy the mass of property and greatly increase the cost of producing goods. As the instinct of the sacredness of property grows in the people we become able to dispense with our police, and to act in the simplest manner in all economic affairs. Simple economics did not lie in the past, because then the industrial man was surrounded on all sides by foes acting on other principles. A simple economic world is not a world wherein every person must carry around what he possesses, but a world where he can leave what he has, come back to it and feel sure that it will be where he has left it undisturbed.

If this principle is lacking in the child's world, he must carry his books and playthings with him wherever he goes. He could not leave his toys anywhere. He could not have any more toys than he could carry around with him. To the



extent to which the teacher gets this feeling of the sacredness of property instilled into children, can they leave their playthings around without danger. They can leave their dinner in the outside room instead of taking it into the school-room with them, keeping it in sight until they are ready to eat. It is easy to make them see how much more rapidly the quality of the food deteriorates in the hot school-room than if put in some cool place. But common action cannot be brought about until teachers instill into the children an idea of the sacredness of unprotected property. When they have done that they will free the school-room from one of its worst evils and inculcate useful principles for future life.

This principle is of no less importance in the home than it is in public affairs. The private room and papers of any member of a family are also sacred. An open door or an unshaded window does not justify inspection. Nor should any one, from curiosity or other motives, go uninvited into the room of another person, examine its contents or disturb any of its articles. Letters or papers should not be read, even though unsealed and in plain view. Beautiful articles should not be handled or examined, nor should desks, drawers or trunks be ransacked, even though they are not locked or closed. Intimate friends should respect the right of privacy as fully as other persons. There are bounds which no one should cross. Such conduct is not merely a violation of a code of honor, it is also contrary to economic welfare by causing a great destruction of utilities. Suppose no one respected this right of privacy. Then air and light must be excluded from private rooms to shut out the gaze of the intruder. Locks, keys and bolts must protect every room and article. Beautiful articles must be put in places where they are injured by confinement, or the pleasure of their possession greatly reduced by unnecessary concealment. There would be a great waste of time in hiding or locking up articles whenever the owner is called away. In short our pleasant, open, hospitable homes would be so changed

that they would resemble a jail. It is a characteristic of prisons that keys rattle and bolts fly back at every movement of its inmates. We cannot avoid this atmosphere unless we respect the rights of others and guard the privacy of their apartments.

It is a corollary from this principle that property in transit is sacred. Commerce lies at the basis of our whole industrial system. To destroy it would force each locality to depend on its own resources and prevent people from enjoying commodities that cannot be produced at home. The safe transportation of goods from region to region, is the great economic force binding locality to locality and nation to nation. One of the first evidences of civilization is the enactment of laws and treaties for the purpose of encouraging commerce. Pirates, highway robbers, and similar evils must be suppressed, national prejudices must be removed and even in war the right of non-belligerents must be respected.

At the present time this principle is well recognized in international relations, but in domestic affairs it is often violated, especially in strikes and other industrial contests. The stoppage of goods and persons in transit produces such great disorder and so much loss that particular classes feel that by such measures they have the best means to secure their industrial rights. Such means, however, are never justified. If it were once recognized that for their own ends, particular classes or localities could interrupt the passage of goods, it would place the whole nation at the mercy of any class or locality which felt that it had a grievance. In a contest of classes the combatants must not be allowed to punish the public to secure redress from their opponents. There should be some other tribunal than public distress to settle such difficulties.

#### *The Harmony of Consumption.*

We often overlook the great advantage coming from consuming articles in groups rather than singly. The harmony

of consumption adds much to the utility of what we consume. The primitive man, for example, will take one thing, as potatoes, or beef, and make a meal of it. This characteristic disappears in advanced society. We get our pleasure by a combination of things. The right grouping of the things we have to consume, whether they be matters of diet, of clothing, of ornamentation of our home, public streets or parks, depends on the principle of related pleasures by which we get the highest degree of utility out of the group. The principle can easily be taught to children. In fact we recognize it in a certain way at the present time by teaching children the colors, their value and relation. But this is done in an isolated way and therefore the general principle is not taught to the best advantage. It is only as the child recognizes the general principle that he can be relied on to act upon it habitually.

Our civilization is superior to that of primitive times mainly because of our related pleasures. Analyze for example the concept—home. It does not consist merely in a place to eat and sleep. A great mass of related pleasures forms in our minds a unit of which we think when we speak of home. Primitive people have no such feelings and no such ideal. We can, also, aided by this principle, teach a child very easily that the destruction of a particular element in a group—a thing he wants to get out of the way—is something that destroys many other things in which he has an interest.

This principle is important in keeping children from giving their attention to some one article and disregarding other articles and relations. It shows itself in all our social phenomena. Take, for example, the temperance problem. The vital principle at stake is the problem of the related pleasures. Articles, that were in harmony with one another under other conditions, have so changed their relations that they are out of harmony with one another and with the group pleasures of the whole community.



Under our modern conditions we have a great variety of things to eat. Food, when well prepared, has become a source of much more pleasure to the community than drink. One or the other element must be made the centre of our diet with the other secondary. We develop one tendency at the expense of the other. We live to drink and eat to live, or the opposite. A large portion of our population thinks of its food first and then of its drink; another portion thinks its food is the subordinate and drink the principle source of pleasure. Whatever increases the utility obtained from food, gives an advantage to that part of society to which temperance people belong. These things can be well illustrated to children in a great variety of ways. How and why certain things are related to each other are facts of immense importance and must be kept in mind in the home and especially in the kitchen. We must get our children to look at these problems consciously or we will fail in properly equipping them for the worst evils they must face in life.

In a public school where I was teaching, there was on the wall a series of charts representing a dissected human being. The purpose of the charts was to show the diseased parts of the body due to the use of alcohol. I cannot help thinking that it was not the best way of teaching temperance, and that we should not put such pictures before children. It is not the problem of reforming drunkards we should have in mind when we teach temperance to children. It is the bettering of the whole community. It is the laying before them the fact that certain forms of consumption are better than others. When we get this ideal in a form children can understand, we may be sure they will choose the group pleasures rather than the individual pleasures, and pleasurable foods rather than stimulating drinks.

The temperance problem is pushed to the front as a moral problem, and the consequence is that the drunkard is prominent in our minds, not the bettering of the condition of the law-abiding citizen. I have not much confidence in the

reforming process by itself, whether the object of it be a drunkard or the victim of other bad habits. It is difficult to change any line of action so radically wrong. But we can, by keeping the welfare of the community in mind, induce our children to make those choices necessary for them to become useful members of a great and progressive society.

*The Ejection of Discordant Elements.*

In this connection the habit of ejecting discordant pleasures demands attention.\* When new commodities are introduced into the consumption of individuals there is a strong tendency for higher and more complex groups to arise out of the blending of the smaller groups formerly enjoyed. Yet this process is not one of simple combination and addition, for some elements harmonious in a smaller group are inharmonious in the larger group. We get more pleasure out of one group of five articles than out of two groups of three articles; the sixth article is out of harmony with the new group and reduces the total pleasure of consumption if its use is continued. If this sixth article gave but little pleasure by itself, there would not be much difficulty in ejecting it. It often happens, however, that the strong individual pleasures are the discordant elements in the group pleasures. Group pleasures usually grow up around some strong isolated pleasure. When an individual has some intense pleasure, experience soon shows what subsidiary pleasures harmonize with it. A group is formed and the habit of consuming these articles together becomes fixed. When two groups blend into one, it is often the strong central pleasure of one of the groups that is now discordant with the new group. It requires, therefore, a great effort and a steady determination to eject this intense pleasure and to make the new group harmonious.

The changes in our diet afford the best illustration of this fact. In many regions the cheapest and most satisfactory

\* See "The Economic Causes of Moral Progress." ANNALS, September, 1892.

diet until recently has been a combination in which liquor was the leading element supplemented by heavy foods having preferably a sour or bitter taste. In other regions, and of late almost everywhere, a sugar diet has become the cheaper and more pleasurable diet. By a sugar diet I mean a combination of foods and drinks which unite to augment the pleasure derived from sweet flavors. In such a diet the sour, bitter foods are inharmonious and are gradually dropped out. A liquor diet and a sugar diet, therefore, stand opposed to one another and will not blend. Any attempted combination of the two not only reduces the pleasure of an individual, but also soon destroys his health. It is better to eject either element than to try to combine them. Ice cream and beer, for example, will not mix; one or the other must give way.

In countries where the diet harmonizes with liquor there is little drunkenness and its other evils are reduced to a minimum. In these countries sugar is but little used and sweet food is discountenanced as effeminate. Under American conditions, however, the sugar diet has gained a dominant place. It is the cheapest and most pleasant kind of food. Sour and bitter foods are, as a result, little used, if at all. Fruits and drinks (coffee, tea, soda water, etc.), must be highly sweetened to meet popular favor. Through these changes liquor has become a discordant element in the diet of the American people. Purely economic forces are driving it from the home, the restaurant, the hotel and other food-eating places and are forcing it into isolated localities where it is consumed as a stimulant and not as a supplement to other parts of the diet.\*

Among the different kinds of food also there are many discordant elements. In choosing a dinner from a variety of foods, some central thought should dominate. Articles not in harmony must be rejected, not because they are bad in themselves, but because they will not produce the cumulative effects

\* See "Economic Basis of Prohibition." ANNALS, July, 1891.



desired from the whole meal. On another day some of these rejected elements may be formed into a new group with favorable results. A varied diet means not a heterogeneous choice from a large number of articles, as on a bill of fare at a hotel. It means a series of groups formed on a natural plan, each group being the basis of some meal. By a proper choice from the groups at successive meals and seasons, all the articles are utilized and health and pleasure will be secured.

We recognize the principle of ejecting discordant elements in other matters more fully than in our diet. We do not choose the best individual articles from our clothing to make up our apparel on a given occasion without regard to the harmony of color and form. Nor do we burden ourselves with all the fine clothing we can carry as we load up our tables with all the fine food we can buy. Taste in dress depends not on its amount or richness, but on the care taken to eject all elements out of harmony with its prominent features. Those rooms are not the most pleasant that are filled with costly furniture even if each piece is complete and beautiful by itself. The general effect may be spoiled by a single article out of harmony with its neighbors. The article may be the most beautiful of all, yet it should be ejected as a discordant element or all the other articles should give place to those that are in harmony with it. A street may be ugly, although each building is complete in itself. A number of houses which with a natural background are beautiful, might yet when placed in a row become an ugly mass. Our streets lose their beauty because each owner thinks of his building as an isolated whole and is indifferent to the effect its peculiarities may have on the looks of the street. A fine opera cannot be made up of a series of ditties though each is pleasant by itself. In music more than elsewhere discordant elements are painful and great care is taken to make the parts contribute to the effect of the whole.

The principle of harmony in consumption and the need of ejecting discordant elements that prevent the blending of

isolated utilities into higher groups can easily be taught to children. They can be aided in forming habits in these matters which will be of great service to them in the future. Right conduct becomes easy only by becoming habitual. So long as our conduct is determined by reasoning alone our errors and failures will be numerous. The process of reasoning compels us to hesitate and to face consciously the evils we would avoid. Correct habits, however, shut out the evil alternative, fix the attention firmly on the right action and thus enable us to ride smoothly over the rough places in life.

*Group Pleasures Should be Given the Preference Above Individual Pleasures.*

The principle of utility in another form demands that group pleasures should always be preferred to individual pleasures. If the pleasures of a group of persons stand higher and give us better results than isolated, individual pleasures, any act that sets individual pleasures above the pleasures of the group is bad conduct. The facts of our economic environment teach this very plainly. The individual acting by himself is helpless in the economic world. It is only by the recognition of groups in consumption and the added pleasures coming from group action over individual action that we get on in life at all.

This fact is as apparent to a boy as to mature persons. The boy knows that there is more sport in playing base-ball under recognized rules than there is in throwing a ball in the air by himself. Boys can, by forming groups of three or four, increase very much the pleasure of playing ball, and by forming groups of nine they can get much more pleasure than in groups of four. A boy can readily see that if the group of players is occupying the ball field and having a game, an individual has no right to interrupt it for his own ends. It is a vital principle—and our boys recognize the fact unconsciously—that an individual has not the right to break up the pleasures of a group and thus reduce them to a

lower level for purposes of his own. The boy who is always ready to draw out of a game when his individual inclinations are not considered before those of the group, belongs to a class that boys dislike. They despise the boy who thinks of himself rather than of the group of which he is a part.

On the playground we have only a small group; as we go on to public life we have larger groups, where we see more impressively that best action always follows work on the group system. One can easily draw from the economic world illustrations in which the principle is involved, and show the children what is wrong. In a strike, for example, a group of individuals think they have a right to set up their own standard and destroy the utilities of a community for their own ends. Whatever may be the personal wrongs of the men, whatever they may suffer as individuals, they have no right to violate the principle that lies back of all economic action. If we all should act on this plan our society would go to pieces. The principle is just as vital there as on the playground. The same is true of a lock-out. The employers who for their own ends disturb the relations of society are as wrong as the men who do the same thing while on a strike. They set themselves up as judges of social welfare and disregard the effect of common action and its influence on the increase of utilities. Such principles as these can be illustrated in a number of ways by any one familiar with child life, and there is no reason why we should not make them clear and definite to every child in the school-room.

### *The Right of Exclusion.*

The final principle is hard to name. While some of its parts have received recognition, they have not been co-ordinated. I shall call it the right of exclusion. By this I mean the right of society to exclude those elements discordant to society. Though we do exclude certain persons from society now, the trouble is that we do not exclude enough.



We should recognize the principle that all persons who reduce the sum of utilities instead of increase them should be excluded. The man who forces disutilities upon society should be jailed or excluded from society in some way. I do not say that he should be punished, but only that the innocent should be allowed to go at large and enjoy freely the gifts of nature and society, while the guilty should be confined where they can do injury only to themselves.

One of the great obstacles to progress is the theory that the good should remain inside their houses and that the outside world should be given over to the rough elements of the community. This principle was generally accepted in earlier times and still has a great effect upon our ideas and actions. It affects women much more than men. We are apt to think that women should remain out of the world so as not to come into contact with rough, vicious persons. It is these rough, vicious people, however, that should be excluded from society that public places may be enjoyed by the innocent without any contaminating influences.

The law recognizes only palpable injuries; it acts only when person or property is injured. It does not seem to recognize that we have eyes and ears, and that a man may put the most outrageous things before me and destroy my utilities without touching my person or property. A drunken man thinks he has a right to the possession of the street and that I have not unless I blunt my feelings so as to be indifferent to his actions. A street organist asserts the right to fill the air with hideous sounds; the merchant disfigures the street with ugly signs, and the advertiser with flaming posters; the saloon-keeper mars the best corners with bad odors and worse signs, and yet it is thought that I have no right to object if my person and property are not molested.

It should be recognized that public utilities are enjoyed mainly through the eye and ear and not through possession and contact. No one has the right to destroy public utilities or to mar the pleasure of those who are enjoying them.

There is as much reason for excluding this class of offenders from society as those who injure the property or person of an individual. Public utilities are mainly subjective, and due not to things, but to the relations between them. They are more perishable than private property and demand more careful protection.

To some extent we do separate the criminal pauper and defective classes from society and support them at public expense. But our standard is still too low in this respect. While we allow so many persons with a lower moral standard, and of less industrial capability than that of the average citizen, to run at large, society will have its tone lowered by the contact of the lower types with the higher. The standard of criminality, pauperism and of defective mental powers is relative. As the standard of the community rises, the minimum standard demanded of every free citizen should rise also. We should make better provision for the insane, the blind, the deaf and dumb, and for all with defective mental qualities. We should more carefully exclude from society those who are tainted with pauper instincts and compel those who seek public support to live apart from the rest of the community. We should restrain more freely those who have vicious or criminal tendencies, and have the term of confinement depend not on the magnitude of crimes already committed, but on the danger to the community of having such persons at large. A commitment should mean not a punishment or a retribution, but an opportunity for education and reform under favorable conditions.

It is often thought that empty jails are a sign of progress. This is a mistake. They show merely that the public has not raised, as rapidly as its increased prosperity would permit, its minimum standard that determines the point of exclusion from society. Old offences may be less numerous, but these new conditions cannot but make new acts contrary to public interest, and, at the same time, create a higher morality that will require of each citizen a more

conscious regard of the general welfare. Higher standards should demand a more rigid enforcement of the principle of exclusion and greater care of those it affects. Jails, reform schools, almshouses and asylums should grow in number and improve in the quality of their service. Even though a large portion of society is enclosed within bounds, the better condition of the innocent and worthy will cause a large increase of utility and a much better condition of society. The right of a low type of man to destroy the utilities of a high type of man is nihilism and not liberty.

In the foregoing sections I have tried to present several of the economic principles that can be made use of in the school-room. They all rest on the fact that a child's interests are in the present and that his conduct is influenced by his pleasures and pains. Recognizing this we can expel many erroneous notions from a child's mind by an appeal to his feelings and to the experience which he has already acquired in his own world. This world is not different in kind from that of grown people, and if we search in the right places we can find facts and feelings familiar to children by which the principles and ideals we wish to present may be illustrated and enforced. But teachers are inclined to accept another principle. The present world seems to them to be a complex world, far beyond the comprehension of a child. Simple situations, they think, lie in the distant past and they should be seized upon rather than the present facts. It is assumed that the periods of a child's life are similar to the epochs of history and that a child will find the proper material for his development in their study. 'The theory of culture-epochs implies that the child begins where the primitive man began, feels as he felt, advances as he advanced, only with more rapid strides.'

The simplicity of an act or an event does not depend upon the facts involved but, upon the ideas through which we interpret the facts. Familiar events are simple because the many subordinate impressions are lost sight of in the few



ideas with which they are blended. Strange sights are complex because the isolated particulars have no higher thought in which they become united. If a child is in a wood there are as many objects about him as if he were on the streets of a city. The difference in the two situations does not lie in the flow of impressions but in the interpreting ideas. To the country boy the woods seem a simple situation, because the various impressions blend into one thought. To the city boy these impressions remain isolated particulars and he would feel lost. A sickle is no simpler than a harvester if they both stand in the mind of the boy for the process of reaping. There is no more complicated mechanism than the human hand and yet to the child it is the simplest of machines because he never thinks of its parts.

The power to visualize ideas and to make them appear simple depends upon the power to present certain elements vividly and to exclude other elements entirely. It is a function of the imagination of which as much use is made in interpreting present impressions as in those of the past. If distant events seem simple it is not because of any inherent quality differentiating them from present events, but because the leading ideas are already present to the child and are thus capable of arousing his imagination. A modern home is as simple to a child as a cave or a tent, and shooting with a gun is as simple as shooting with an arrow. The occupation of lighthouse keeper is not old and yet it is as easy for children to imagine the solitude of the place and the heroism of the keeper as it is for them to picture a dweller in a primeval forest. The fireman of to-day, heroic in the discharge of his duty, can be made as vivid to the child as the vestal virgin who preserved the sacred fire in the ancient world. The engineer who sticks to his engine to save others shows as high a type of heroism as can be found in history.

Heroism is not an old virtue decaying with the growth of civilization. We have on all sides many more examples of heroic action than could be found in any past age. In olden

times heroism and patriotism were so rare that the few examples could survive in literature and tradition. The more common examples of to-day attract little attention because of their number. We expect heroism, patriotism, truth and honesty of every one and so common-place have they become that it is the opposite qualities that attract attention. The records of crime and vice become events of interest because of their rarity.

The child world has its heroes and deeds worthy of emulation easily to be found if we look in the right place for them. Take a case that comes to my mind from a ball field. The game of base-ball is a complicated affair and it requires some time for a boy to understand the different points upon which the interest depends. In the end, however, the game becomes a unit to the boy as simple as it is vivid to his imagination. I recollect a game at the close of which a quarrel arose. It is a custom when a match game is played to give the ball to the winning team. In this case a large number on the team that lost said the game was only a practice game. A dispute arose and the defeated team demanded that the ball should not be taken from the field. The captain of the victorious nine, holding out the ball, said to the captain of the defeated nine: "If you say you did not agree to play a match game take the ball." Here is a simple situation testing the honor of the defeated captain. He could easily win the favor of his own nine by an evasive reply. But he said: "Keep the ball;" and faced the anger of his companions in a manly way. This is a good illustration of heroic action and such examples can be presented to the child in a much more vivid way than the deeds of ancient heroes.

I recollect another game in which several boys from one club were invited to help a neighboring club in a game. They won the game and as they were going home they came to a saloon. The leader of the home club said: "You have done well by us, come in and take a drink with us? We

will treat." The visiting leader said: "No, I don't drink." Every boy said "No," although there was not a boy who would not have said "Yes" if it were not that the first boy had in a manly way said "No." Here again you have a simple illustration, just as simple as anything you can find in past history. The only difficulty in finding such illustrations comes from the fact that teachers do not look into the present for them, but into histories and story-books.

The use by teachers of old illustrations instead of those of to-day is due to the fact that teachers are more familiar with books than with life. Old examples of virtuous actions are used again and again because it is more easy to recall them or to get them from books than to search for them in the events of to-day. At present we put much emphasis on oral instruction and despise a slavish use of textbooks. Textbooks, however, are not the only books whose use makes teaching formal. The routine teacher is he who grinds out a series of facts and examples that his teachers used in their day, never imagining that a new world of events has come into being since they spoke and their authorities wrote. Their stock illustrations become so imbedded in his thought, as types of noble conduct, that he fails to see the value of similar acts under new conditions. The past seems a golden age never to return, while its heroes are giants whose mighty deeds have reached the acme of human possibilities and whose example has raised the actions of common men far higher than their own volitions would have carried them.

The economic concept is more democratic, and its ideal lies not in the past, but in the future. It prophesies a time when the leading virtues will be instilled into every member of society, giving to all their actions those heroic qualities which make individuals worthy and society progressive. The future Utopia of the economist stands opposed to the golden age of the past. The one ideal would elevate mankind through the growth of common qualities and the



ejection of discordant elements that lower the tone of society. The other would hold a frail humanity above its natural level by the impressive example of its historic heroes. The latter may succeed for the moment but the steady evolution of character depends upon the former. Its effects may come more slowly but they are more abiding.

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## THE BREAK UP OF THE ENGLISH PARTY SYSTEM.

A number of new and very remarkable features have developed themselves in English politics since the General Election of 1885—the General Election from which can be dated the time when England really became a democracy. Perhaps the most interesting and significant of these is the breaking away from the old system of two parties in the House of Commons and in the constituencies. It would seem the most interesting development to a student of politics, and there can be no doubt that it is the most fateful development in English political life since the great Reform Act of 1832. How far this departure has already proceeded, and how far this new tendency toward groups has gone, is apparent to any observant reader of the English newspapers.

For reasons which will be explained later on, it is more marked in the present House of Commons than in any of the three Houses which have been elected since 1885. In the present House of Commons, elected in 1892, it is easily possible to distinguish at least eight groups. In a preliminary sketch of these groups, it may be well to begin with the Government forces, which, departing from the traditions and precedents of centuries, are now seated to the left, as well as to the right, of the Speaker's chair. Counting the Irish members as of the Government following, these forces now number 355, subdivided into six groups. First come the Nationalists, who are now sectioned off into very distinct groups, the Parnellites and the Anti-Parnellites. I take these first because without the help of these groups the Gladstone Government could never have come into office. Next come what may be described as the official Liberal group. After it, the Radical group; and then the Welsh Radicals and the Labor and Socialistic groups. If the Scotch Radicals

and the Temperance party, both of which occasionally act as groups, are included in the enumeration, the number of groups in the Government forces is increased to eight, and the total number of groups in the House of Commons to ten.

There are only two really well-defined groups in the Opposition forces. These are the Conservatives and the Liberal Unionists. A close analysis would perhaps lead to the division of the Conservatives into two groups, of which the larger might be described as the progressive group, and the other the old-time Tory group. For present purposes, however, it will suffice to divide the Opposition into two groups, Conservative and Liberal Unionist. These two groups have been acting together since 1886, in office and in opposition; but each has still its own leader in the House of Commons, its own party whips, its own central party organization in London, managing its affairs in the constituencies; and each wing, Conservative and Liberal Unionist, has its own supporters in the daily and weekly press.

In tracing the development of this system of groups in Parliament, it is necessary to go a little further back than the Parliamentary Reform Act of 1884, which increased the electorate by over two and a half million votes, and placed political power in the hands of the laboring classes. But it is not necessary to go back many years beyond 1884. It was not until 1874, only ten years before the last Reform Act, that a third party with a leader and with whips of its own made its appearance in the House of Commons, and began to shape its policy, its proceedings in debate, and its votes in the division lobbies without reference to the desires or the convenience of either of the two older parties—the party which happened to be in office, or the party in opposition.

Long before the Irish Nationalists began to act in this manner in 1874, and before Home Rule members took the place of the Whigs who had formerly been sent from Ireland



to Westminster—long before this time, there had been divisions in the ranks of the Liberals, and in those of the Conservatives as well. In the years immediately preceding the first Reform bill, and in those immediately following its enactment, both the Liberal and the Tory party had in a measure their own subdivisions. From 1825 to 1832, practically speaking, only two political questions divided people in England. These were Catholic Emancipation, with the ecclesiastical questions, English and Irish, grouped about Catholic Emancipation, and the far more important question of Parliamentary Reform. These two questions, however, served not only to divide Englishmen into two political camps, but served also to subdivide to some extent the representatives of the two groups of thought who were sent to Parliament by the unreformed constituencies, and the members of the House of Lords who enjoyed their political privileges by virtue of recent royal favor or hereditary right. In those days the title Liberal was a designation for all who were in favor of progress and reform, no matter how slowly progress was to be made, and no matter with what amount of grudging caution reform was adopted. The generic title of Liberal then, and for many years afterward, included within its comprehensive scope Whigs whom it would now be difficult to differentiate from the Tories of ten years later on; Radicals of the Mayfair school, such as Hobhouse and Burdett; and Radicals of the philosophic, equal privileges and equal opportunities school, such as Hume and Bentham, and, later on, as Mill and Fawcett.

The Toryism of those days, of the period from 1825 to 1832, also had its subdivisions. It was about this time that the Tories, following the example of their political opponents, began to adopt a new generic title. Many of them now began to call themselves Conservatives. The late Mr. Jennings, in editing "The Croker Papers," makes the claim that Mr. Croker first introduced this title of Conservative, as applied to the Tory party, in 1831; and he cites an article:

from the *Quarterly Review* of that year, written by Croker, in support of his contention that it was with Croker that the new party name originated. However this may be, the title was in use in correspondence, at least as early as 1831. It is to be found in Peel's letters of that year, and in one written in May, Peel gives some indication of the subdivisions which were then appearing in what prior to Catholic Emancipation had been the old Tory party. "I apprehend," writes Peel, "there are two parties among those who call themselves Conservatives—one which views the state of the country with great alarm; which sees a relaxation of all authority, an impatience of all that restraint which is indispensable to the existence, not of this or that, but of all governments, and which is ready to support monarchy, property, and public faith." "There is another party," continues Peel, "and that by far the most numerous, which has the most presumptuous confidence in its own fitness for administering public affairs, which would unite with O'Connell in resisting the Irish Coercion bill, which sees great advantage in a deficit of many millions, and thinks the imposition of a property tax on Ireland, and the aristocracy, a Conservative measure; decries the intemperance of the police; thinks it treachery to attack a Radical, providing that Radical hates the Government, and which, never having yet dreamed of the question how they could restore order, prefers chaos to the maintenance of the present Government."

These divisions in the ranks of the old parties, which could be noted in 1831—the division of the Liberal party into Whigs, Mayfair Radicals, and the Radicals of the equal rights and equal privileges school, and the division of the Tory party into Tories and innovating Conservatives, as roughly indicated in Peel's correspondence, continued with more or less change, and with more or less inconvenience to the party as a whole which happened to be in office, until the Home Rule contingent from Ireland became a power in 1874. But none of these subdivisions in either the Tory or the

Liberal party was continuously assertive or continuously independent. As a general thing, each subdivision was merged in its main wing on critical occasions, and for all practical purposes, until 1874, two parties, Liberals and Conservatives, were ranged one against the other, and dominated everything in the House of Commons. Up to this time, there were only two sets of whips at Westminster; one set acting for the Government, and the other for the Opposition; and until 1874, the political statisticians took no cognizance of any but the two great parties, and in the statistical tables up to the General Election of that year, every member of the House of Commons was classed either as a Conservative or as a Liberal. When a new Parliament had been elected, there may have been perhaps two or three members who called themselves Independents, but before the Parliament was a couple of years old the political statisticians, rightly or wrongly, had grouped them either with the Liberals or with the Conservatives.

There were Home Rulers in the House of Commons before 1874, but they were not sufficiently numerous to constitute themselves a party. The first Home Ruler was chosen at a by-election in 1871; and it is worth while noting that he was chosen in preference to a candidate who was supported by the priests. In the same year two more Home Rulers were elected, this time with the active help of the priests. These were Captain Nolan, who is still in Parliament, and now acting with the Parnellite group, and Mr. Blennerhassett. Captain Nolan was elected for Galway, Mr. Blennerhassett for Kerry. Captain Nolan's majority was more than 2000 in a constituency of 5000 voters. The priests, however, had been too zealous in his behalf. A petition was presented against his return, and, in delivering judgment for the petition against Captain Nolan, Judge Keogh declared that the Galway election had presented the most astonishing example of ecclesiastical tyranny which the history of priestly intolerance afforded, and described the Galway electors "as



mindless cowards, instruments in the hands of ecclesiastical despots." As a result of this judgment, the Whig candidate succeeded to the seat. There seems to have been no contest over Mr. Blennerhassett's return; but there was intense disappointment among the landlords at the result of the Kerry election. The tenants broke away from the old political domination of the landed gentry, and voted in a body for Home Rule. On one estate eighty tenants had promised to meet the agent at seven o'clock in the morning to vote as usual with the landlords. The agent was at the meeting-place at the time fixed, but the tenants were not there. They had met at another place, and were headed to the poll by the priests to vote for the Home Rule candidate.

These by-elections in Galway and Kerry, in 1871, initiated the movement for the breaking away of the tenants from the old political connection with the landlords; the movement was greatly extended between 1871 and 1874; in fact, it became almost general, with the then surprising result that at the General Election in 1874, that which returned the Tories to power under Lord Beaconsfield, the Home Rulers elected no fewer than fifty-four members: thirty-three from the counties and twenty-one from the boroughs. The Irish by-elections which followed the 1874 General Election also went successively in favor of the Home Rulers; and before the 1874-80 Parliament came to an end, the Home Rule party at Westminster had increased to sixty.

Butt and Shaw were still the leaders of the new independent Irish party; and in 1875 and 1876 Parnell was described as one of the lesser champions of the movement. The Home Rulers in the House of Commons lost no time in organizing themselves. They elected a sessional chairman; appointed whips of their own; and at once began the Parliamentary tactics, continued without intermission for ten years, which brought the party into full power, almost into full control, at Westminster in 1885, and to which they owe the control they now enjoy over the destiny of the present Government.

First of all the Irish Independents adopted their ingenious plan in the ballot for private member's days. Every Home Ruler balloted, and by this means the party as a whole possessed itself of a share of the time set apart for private members and their bills, which was out of all proportion to the party's strength in the House of Commons. English and Scotch private members, with bills to advance, who found themselves relegated by the ballot to the closing weeks of the session, to the days when the Government takes for its measures all the time of the House, complained bitterly when they saw every Wednesday during the earlier weeks of the session going to the Irish members, and to bills and resolutions in favor of Home Rule and kindred Irish subjects. They angrily declaimed against what they stigmatized as the Parliamentary bad taste of the manœuvres adopted by the Home Rulers, and they unsuccessfully sought the interference of the Speaker with a view to breaking down the Irish plan for appropriating the lion's share of the private member's days. It was all to no use. Parliamentary good taste is not, and never has been, a strong point with the Irish Nationalists. The Irishmen taught themselves the intricacies of Parliamentary procedure in all its devious details, and, whenever it was possible, they dexterously turned these intricacies to their own account. It was because the more earnest Home Rulers were so well acquainted with the procedure of the House of Commons, and so apt in turning it to their advantage, that they were able to succeed so well in the obstructive policy which was commenced in the 1874-1880 Parliament, and was continued alike against Liberal and Conservative Governments until the alliance of the Liberals and the Home Rulers was established in 1885, with Mr. Gladstone's first Home Rule bill as its basis.

The by-elections between 1874 and 1880 brought the strength of the Home Rulers in the House of Commons up to sixty. At the General Election in 1880, the Nationalists gained three additional seats, and were therefore able to

command sixty-three votes in the Parliament which lasted from 1880 to 1885. This was the Parliament which passed the Reform Act of 1884 and the Redistribution of Seats Act of 1885, the two measures which made England a democracy. Hitherto the Irish peasantry had been unenfranchised. The tenant farmers, of course, had had votes; but the rural laborers had had no voice whatever in local or in national politics. The electorate in Ireland was augmented by half a million votes as the result of the measure of 1884, and as the measure of 1885, redistributing seats, made no attempt to bring Irish representation in the House of Commons into anything like proportional representation with England and Scotland, Ireland retained to the full the measure of representation which she has enjoyed since the Union. At the Union 105 members were assigned to Ireland. For many years before the Redistribution Act of 1885, the number had stood at 103. The result of this measure and of the Reform Act which preceded it was that the Home Rule contingent at Westminster was increased at a bound from sixty-three to eighty-six; and as the electors in England, Scotland and Ulster had given neither party a majority independent of the Home Rulers, it was within the power of the Irish members to say which of the two English parties should go into possession in Downing street.

The General Election of 1885, which had thus brought the new independent Irish party practically into control in Parliament, brought with it as a consequence, the great split in the Liberal party over Mr. Gladstone's Home Rule bill, and from the General Election of 1886 onward, increased to four the number of distinct parties in the House of Commons.

It is no part of my present purpose to discuss the merits of Home Rule. But before proceeding further with the work of tracing the development of the group system, as it may be dated from 1886, it may be interesting to add a few words as to the way in which the independent Irish party was organized and maintained from 1874 to the alliance with the



Liberals in 1885. It is now comparatively easy to see how Mr. Parnell succeeded. To my mind, and writing as one who was an eye-witness of much of the manœuvring and tactics of the Irish party in the House of Commons, the outstanding fact in Mr. Parnell's tremendous success was this, that he drew the members of his following largely, if not entirely, from a class in Ireland which hitherto had had no voice or share in Imperial politics.

As soon as Mr. Parnell took control in 1878, he weeded out from the Home Rule party nearly all the men whose near or remote family connections were of any social standing in Ireland; and who, to use a common American phrase, were in politics for the spoils. To employ another Americanism, Mr. Parnell had no use for the younger sons of landed families who had failed to get into the army or to make any success at the bar, for the needy, calculating, self-seeking scions of the smaller landed gentry, who hitherto had been sent to Parliament as the representatives of Irish Whiggism, and whose only reason for seeking membership of the House of Commons was to obtain better opportunities for quartering themselves and their dependents on the Treasury. Mr. Parnell soon made it clear that politicians of this class had absolutely nothing to gain from associating themselves with the Home Rule movement.

The pledge to act with the party as directed by its leader and its whips, to accept no office nor reward from the Government, and to resign the seat whenever called upon to do so, a pledge which was exacted, from every follower of Mr. Parnell, rendered it useless for the old school of Irish Whig politicians to enter Parliament under the auspices of the new movement. Mr. Parnell, who was himself of the landed class and knew his class well, thus deliberately cut himself off from these men, and from men in their rank of life, and turned to men who were perhaps socially a grade lower, but who were immensely more reliable than the old school of Irish politicians, as it

existed from O'Connell's time to the inauguration of the Home Rule movement. He turned to the journalists and the struggling country lawyers, to the doctors and the school-masters, to the merchants, the shop-keepers and the inn-keepers, and from these men he recruited a little army which even the atmosphere of the House of Commons or the social exigencies of life in London could not spoil, nor in the least divert from the mission which had taken them to Westminster. Many of them, most of them in fact, were poor men; but Mr. Parnell's power in Ireland before the General Election in 1880 had come to be such that contests were comparatively few. He could, therefore, elect many of them without expense; and when contests were forced upon him, which made expense necessary, he had ample funds at his command to meet it, and in individual cases, where it was imperative, it was possible for him to furnish his poorer followers with the means for defraying their expenses in London.

In the early days of the Home Rule movement the poverty of many of Mr. Parnell's followers was the subject of endless newspaper jokes, all in more or less bad taste. One of these newspaper pleasantries told how some of the Irish members always left Westminster Palace at dinner time for a public house near by, where, it was said, sausages and mashed potatoes were to be obtained in large quantities for less money than was possible in the dining room of the House of Commons. This story has the merit of being true. It seems a trivial story to recall; but it is one which ought not to be overlooked by a student of the Irish movement in Parliament. It was because the men who followed Parnell had sufficient courage to act in this way, and were not afraid of its being known, that they were able to take and keep the pledge concerning offices and rewards which Mr. Parnell exacted from them. It was in this respect that they all differed, and for Mr. Parnell's purposes, differed for the better, from the genteel but needy and self-seeking politicians

whom they had replaced as the representatives of five-sevenths of the Irish constituencies. Members of the old school of Irish politicians, the men who perhaps had gone to Trinity, but had done little for themselves after leaving college, would never have thought of going out of Westminster Palace, because a satisfying meal could be had in the public house over the way for eighteen pence, while a dinner in the House would have cost three shillings and six pence. They would have taken the House of Commons dinner, even if they had borrowed money to pay for it, because they would have been full of the hope that some well-paid government position would soon come their way, which would enable them to wipe off all their indebtedness. I would not have it supposed from my way of presenting the story of the Irish party that I am a Home Ruler. I am not; but no student of English politics can fail to take note of these things. They help to the key of the whole situation.

The division in the Liberal party over the Home Rule bill which established the fourth party in the House of Commons is an easy one to trace. It first showed itself in the winter of 1885-86 after the General Election. It was known in December of 1885, in a more or less vague and indefinite way, that Mr. Gladstone was prepared to comply with the demands of the Nationalists; and when, in February, the Salisbury Government was defeated on the address to the Crown, and Mr. Gladstone was forming his new administration, with this knowledge in mind, Lord Selborne, the Marquis of Hartington, Sir Henry James and other members of the Liberal Ministry of 1880-85, declined to act with their old leader.

As soon as the Cabinet had been formed and the Home Rule scheme was laid before it, Mr. Chamberlain and Sir George Trevelyan withdrew, and with the other seceders from Mr. Gladstone's old following put themselves in opposition to the Home Rule demand in Parliament and the constituencies. On the ninth of April Mr. Gladstone submitted his scheme to Parliament. On the thirteenth of April permission was



given for the introduction of the bill. On the tenth of May the second reading was moved by Mr. Gladstone. The debate on this stage occupied twelve nights, and the division which sectioned off the two wings of the old Liberal party took place on the seventh of June. Members from the extreme wings of the Liberal party acted as tellers against the bill. One of these was a Whig, the other was a Radical; and ninety-three members, who, up to this time had always acted with Mr. Gladstone and the Liberal party, put themselves on record against the bill, and thus classed themselves as Liberal Unionists. It was upon these members of the old Liberal party that the brunt of the opposition to the bill in the House of Commons fell. Not a single Tory member voted for the measure. From the outset the Tories had been a solid party against the scheme, but they left the duty of talking against the bill in the House of Commons largely to the dissentient Liberals.

As soon as the vote in the House of Commons was taken, all four parties—the Gladstone Liberals, the Irish Home Rulers, the Conservatives and the Liberal Unionists—began to prepare for an immediate General Election. An understanding was at once arrived at between the two sections of the new Unionist party, that Conservative candidates were not to be put up against Liberals who had voted against the Home Rule bill. At the election six months earlier, many of the men who went into the same lobby as the Conservatives when the House divided on the Irish bill, had had hard fights with Tory candidates for their seats. Some of them had been elected by very narrow majorities over their Conservative opponents; but in almost every instance of this kind, in the General Election of 1886, the Conservatives refrained from putting up candidates against Liberal Unionists. The Gladstone Liberals were altogether too demoralized to make many fights in the constituencies against individual seceders, and as a consequence, in the next Parliament—that elected in June—there were no fewer than seventy-eight

Liberal Unionists. These with 316 Conservatives served to give Lord Salisbury a majority of 113 in the House of Commons over the combined forces of the Gladstone Liberals and the Irish Home Rulers. The Gladstone contingent had suffered severely at the polls. It was reduced to 191, as compared with 335 at the commencement of the 1885 Parliament, the losses being due to the secession of the Liberal Unionists, and the capture of Liberal seats by the Tory party.

Twice during the 1886-92 Parliament overtures were made to the Liberal Unionists to join a coalition Government; but on each occasion the overtures were declined. The Liberal Unionists voted with the Tories in all critical divisions; but they sat with the Liberals and the Irish Home Rulers on the Opposition benches. Only one of their number crossed the floor of the House of Commons. This was Mr. Goschen who succeeded Lord Randolph Churchill as Chancellor of the Exchequer in 1887, and of course took his place on the Treasury Bench. Lord Hartington, Mr. Chamberlain and Sir Henry James sat in exactly the same places as they would have occupied as members of the regular Liberal Opposition, on the front bench immediately to the left of the Speaker, reserved for ex-ministers and Privy Councillors in opposition; while the rank and file of the Liberal Unionists grouped themselves on the back benches with the moderate Liberals. All through this Parliament they maintained these places, and even now the Liberal Unionists sit with the Liberals. After the election of 1892 which placed the Liberals in office, the Liberal Unionists crossed to the ministerial benches and now sit among the Liberals, although, as for nearly ten years past, they vote regularly with the Conservatives.

The action of the Liberal Unionists in persisting to sit with the official Liberals, and the corresponding action of the Irish Nationalists in persisting to regard themselves as of the Opposition, and to sit with the Conservatives, have occasioned much confusion in the present Parliament. They have constituted a complete breaking away from traditions

at St. Stephen's which are centuries old, and occurring as this breaking away has done at a time when party feeling is more bitter than it has ever been before, it is not asserting too much to say that this distribution of parties within the Chamber accounts for some of the regrettable scenes which marked the session of 1893, and so greatly lowered the tone of the House, and its position in popular favor the wide world over.

It would be too much of a task on this occasion to attempt to show what will become of the Liberal Unionists. Political prophecy is always uncertain, and it has become increasingly uncertain of late years as regards affairs in England. It would need a long examination of speeches and votes since 1886 to show the tendency of the Liberal Unionists, and it would also be necessary to note the vital changes which have come over the Liberals who followed Mr. Gladstone in the split of ten years ago. But this much may be said, that come what may of the National party, the formation of which has been repeatedly discussed since 1887, it is now hardly possible for the Liberal Unionists to rejoin the Liberal party of to-day. Liberal Unionism has had an enormous influence on English Conservatism. It is only necessary to recall a few of the measures of the 1886-92 Parliament to make this clear. The Irish Land Purchase Act of 1887, the Local Government Act of 1888, the Free Education, and the Factory Acts of 1891 are all evidences of the change which has come over English Conservatism since 1886. In fact there has been a little movement both ways in the two parties now forming the Opposition to the Rosebery Government. The Conservatives most decidedly have moved forward. They occupy the ground that the moderate Liberals occupied ten years ago; while the Liberal Unionists have moved back to meet them, and the result is a party differing but little from the Liberal party of the years immediately following the Reform Act of 1867. The Conservatives and the Liberal Unionists make as a whole



a party which is hardly what some Anti-Home Rule Liberals would like, as concerns the Church and the liquor interest. But then the Liberal party of 1868 to 1874 was never very actively loyal toward the cause of religious equality and religious freedom. The Liberal administration of that period had to be pushed before it settled the University test question; then it did not go so far as the Conservative Government went four years later; while as regards the Church of England in its relations to the system of national elementary education, it is almost impossible for the Tory party of the present day to be more careful of church interests than the Liberal party was when it passed the Elementary Education Act of 1870.

I do not want to enter upon any prophecy; but to me it seems more likely that the Liberal Unionists will gradually become part and parcel of the Conservative party, and enjoy with it, as they have not yet done, the advantages of power and office, than that they will join up forces with the Gladstone Liberals. When the rearrangement of parties comes about, it is much more likely that the Conservatives and Liberal Unionists, no matter under what party name they may then be organized, will draw some recruits from the moderate section of the Liberal party—from the men who are neither new Radicals nor Socialists—than that any of the six or seven groups now massed under the nominal and rather artificially brought about leadership of Lord Rosebery will be recruited from the ranks of the Liberal Unionists. Middle class England is rapidly becoming Conservative; a glance at the election returns from the cities with large suburban populations shows that at once; and the representatives of these middle class communities still acting with the Liberals in the House of Commons are likely to become fewer as each General Election comes round, and as the democracy becomes more assertive and more demanding.

In chronological order the next group in the House of Commons is that of the Parnellite Nationalists. The O'Shea

case, and all that it wrought in Irish politics, is too recent and too notorious to need recalling in any of its dismal details. A terrible fate seems to pursue all Irish National movements. The Irish party and their Liberal allies were hardly at an end of their rejoicings over the breakdown of the forged letters case in 1889 when the collapse of 1890 came upon them. It was then apparent that if the alliance which had lasted from 1886 was to continue, the Nationalists would have to find a new leader. The majority of them saw the matter in this light. They were slow in making the discovery, but, once made, they faced the consequences, and deposed Mr. Parnell. But Mr. Parnell had no intention of being set aside. He had the example of Sir Charles Dilke before him. Sir Charles Dilke at this time was just on the point of succeeding in his policy of bluff, and had been chosen as a Socialistic-Radical candidate for the constituency he now represents in Parliament. Mr. Parnell might be deposed from the leadership of the party he had built up; but he had no intention of disappearing from Parliamentary life. He was determined to stay, and the movement to keep him in politics led to the formation of the fifth party in the House of Commons.

The object of this party at that time was twofold—to keep Mr. Parnell to the front in Irish politics, and to resist what was regarded as dictation from the English allies. This group now numbers only nine; but its power is not to be measured by its numerical strength. It is to-day as compact and as much a unit, as the Parnellite party was in the 1874-80 Parliament. In estimating the power of any of the groups now forming the Liberal party, it must always be remembered that these groups united give the Liberal Government a majority of only thirty-six or thirty-seven over the Unionists. Hence, any determined leader who can command nine votes may do much mischief to the Government he has been helping to keep in power. He may even, if he so desires, by carefully watching his

opportunity, put it into a minority as a punishment for some shortcoming toward his party. There can be no doubt that the Parnellite party is a growing one, and one which will have increasing power in Ireland. And for this reason—that as far as is possible with its funds, and with its numbers, it is continuing the independent and one-mission policy which Mr. Parnell adopted in 1878, and which gave him his commanding position at Westminster after the General Election of 1885.

The appearance of these five groups, taking, as it were, the place of the two old parties, had come about before the General Election of 1892, the one which returned the Gladstone-Rosebery party to office. As has been shown, the Nationalist group came into existence in 1874; the Liberal Unionist group in 1886, and the Parnellite Nationalist group almost on the eve of the General Election of 1892. Other groups had been forming in the Liberal party between 1885 and 1892; but during the greater part of this period the Liberals had been in opposition, and the new groups, although in existence, had no opportunity of presenting their demands and insisting upon their being met. These new groups in the Liberal party had, of course, nothing to gain by making demands upon the Unionist administration, but they became clamorous and assertive almost before the new Liberal administration was formed in the autumn of 1892. The members of the new groups had done much to bring about the Liberal success at the polls, and they lost no time in demanding their reward. They were so eager for legislation in response to their demands that they were out of temper with the new Government for not calling an autumn session in 1892, and passing some of their measures before Home Rule was taken in hand.

These groups were enumerated at the outset of this paper, but it may be well to recall them. First comes the Radical group; next the Welsh group; and finally the Labor and Socialist group. The Radical group is made up largely of the representatives of the country constituencies, of the



members chosen by the rural democracy which voted for the first time in 1885. What this group desired was a sweeping measure of local government reform in the rural districts; some drastic reform in the administration of the poor law; the abrogation of the old feudal privileges which still attach to land in connection with the county magistracy; and radical amendments to the Aliotments Acts which were passed in 1885 and 1887. It was to satisfy this group that there was an autumn sitting of Parliament in 1893, and nearly all the demands of the group were met in the very comprehensive measure now known as the Parish and District Councils Act. Had there been no autumn session, and no District and Parish Councils Act, 1893 would have been a legislative blank; for all the time of the ordinary session of Parliament, lasting as it did from February to October, was taken up with the Home Rule bill which was thrown out by the House of Lords.

The Welsh group comprises twenty-eight out of the thirty members who represent the Principality in the House of Commons. This group is more compact and more a unit than any group of members, coming from constituencies east of the Irish Sea, which has ever existed in Parliament. It joins with the English Radicals and Labor groups in all their demands; it endorses every one of them, and, with the exception of the Eight Hours bill for coal miners, it votes as a unit for them all. On the Eight Hours bill the Welsh Radicals are not quite a unit; they are not agreed on the eight hours from bank to bank, which is the central point in the bill promoted by the Labor members. But apart from all these general Radical questions, the Welsh group has a program of its own. First it demands the disestablishment of the English Church in Wales, and in the second place it is calling for land law reform in Wales on lines as favorable to the tenant as the measures already passed for Ireland.

The Labor group, which has gradually been increasing its numerical strength at Westminster since 1874, when the first

two Labor members, Mr. Thomas Burt and Mr. Macdonald, were elected, until it now numbers sixteen or seventeen members, demands first of all an amendment of the Employers' Liability Act which shall forbid all contracting out. It is a unit on this question. Then, with two or three exceptions, it is solid for a legal eight hours' day for miners. It has other demands, and endorses all the Radical demands, as well as the Welsh Radical program; but its special program includes a drastic employers' liability law, an eight hours' day and the payment of members of Parliament.

The group system, as it now stands, is thus less than two years old. There were no opportunities for the six groups in the Liberal party until that party came into power in 1892. But new as the system is, it is easy to trace some of its results and to forecast others. The first and foremost result of the new system was the Home Rule bill of 1893. It was of course group pressure which led to the introduction of the bill in 1886; but in that year Mr. Gladstone could have taken up Home Rule as he did, or he could have left the question alone. It would be idle to speculate on what he might have done; but at least he was not compelled to take up the question. He had no such alternative in 1893. He had committed himself to Home Rule in 1886, and recommitted himself dozens of times between then and the General Election of 1892. When that election resulted in his return to power by a majority of forty including the eighty-one Irish votes, he had no option whatever. He had to take up Home Rule, and he could not even decide for himself when he should do so. It must be the first measure of the new Parliament, or he would belie all his promises made in the preceding six years and at once lose the support of both groups of Irish Nationalists. No other course was open to him but to devote the session of 1893 to the Irish measure. This is the most outstanding example of the working of the new system.

Next in order as a signal example of it, is the measure:

now first in the ministerial program for the disestablishment of the English Church in Wales. As I have stated, the Welsh Radicals number twenty-eight; they are a unit on this question; they are determined that if the present House of Commons lives long enough, it shall send the Welsh Disestablishment bill up to the House of Lords before the session of 1895 comes to an end. Early in the session of 1894 they were afraid that the Government were going to shuffle out of their promises to bring in the bill. Whatever may have been the intentions of the Government in regard to this matter, the Welsh members determined to put an end to the uncertainty at once. Mindful of the fact that the Government majority was only thirty-six, and that twenty-eight votes thrown in a direction contrary to the wishes of the Government would turn it out of office, they waited on the leader of the House of Commons, and appear to have done some very plain speaking, for the outcome of the interview was the exaction of a pledge that the Welsh Disestablishment bill shall have precedence over all Government measures in 1895.

Exactly the same sort of pressure was brought to bear on the leader of the House by the Labor group which is demanding an eight hours' day bill. The Government was to pledge itself to give facilities for the discussion of the bill, and to help it through all its stages in the House of Commons, or the Labor members would take a line of their own, which practically meant that some day, when every available vote was needed to save the Government, the Labor members might be elsewhere than at Westminster.

What, it may be asked, does all this mean? It simply means that a Liberal Government is no longer master of its own actions. When the Liberals are in power it is inevitable that their majorities must be narrow. The growing Conservatism of urban England and Scotland settles that much; and, as a consequence, any group which can command a dozen votes, and which is prepared to act as a unit



independently of the party as a whole, can say what measures must be taken up and when they shall be taken up, and if the Government does not concede its terms, it can turn them out of office almost at a day's notice. When narrow majorities are the rule, one group of fifteen or twenty can do this alone.

But side by side with this development of groups, there has grown up a system of log-rolling, altogether new in English politics. Groups act with each other, as well as for or against the Government, and any two groups acting together can at once end the life of an administration. Irish members have little or no interest in employers' liability; but in the session of 1893 they voted steadily with the Government every time when the contracting out principle came up for discussion. They acted in this way, of course, as some return for the services which the Government had rendered them on Home Rule; but they did so also as offering a *quid pro quo* to the Labor members for their support of the Home Rule bill, and for their expected if not actually pledged support on the Evicted Tenants' bill. There were occasions in the last Parliament when the Liberal Unionists forced concessions from the Conservatives. There was some little group pressure all through that Parliament; but the system has been seen at its best since the Gladstone-Rosebery ministry came into office in 1892. It is in fact the most obvious outcome so far of the era of the new democracy in England.

If the House of Lords retains anything of its present character—and to bring about any alteration will be a matter of years, if not of generations—the result of it all may be that what is now known as the Liberal party will cease to be a legislative power. The party may pass a disestablishment bill for Wales, or for England for that matter; it may in response to this pressure pass another Home Rule bill; or a bill making an eight hours' day compulsory; but as long as the House of Lords continues to hold its present position,

these measures will never get beyond the House of Commons. This sort of thing may in fact defeat itself, and in two ways. Either England will become more and more Conservative, and relegate Radicalism to something like permanent opposition, or the House of Lords will have as a permanent mission the rejection and re-rejection of all measures conceived and passed through the House of Commons solely in response to group pressure. To my mind the first of these eventualities seems most likely to happen; for one cannot closely observe all that is now going on in England without coming to the conclusion that the approaching General Election will relegate the present composite, if not nondescript, Liberal party to a long period of opposition.

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## WIESER'S NATURAL VALUE.

The long expected translation of "*Der Natürliche Werth*" has appeared, and finds a comparatively large public ready to welcome it. The older English and American economists, while recognizing that the Austrians have done careful and suggestive work in economic theory, do not seem to have been turned to any great extent from their former ways of thinking; but it is a significant fact that the young men whose ideas upon economic theory have been formed since the Austrian writings became accessible have quite generally adopted the leading conceptions and nomenclature of the Austrian school. This does not mean that the young men consider the older theories altogether wrong or the new theories altogether correct and complete, but it does indicate that an important influence has been brought to bear upon economic thought. The extent of this influence cannot yet be told, but it is not too early to form at least an opinion as to what Austrian conceptions are likely to become permanent factors of economic theory.

It is inevitable that such independent thinkers as Menger, Wieser, Böhm-Bawerk, and Sax should differ from each other as well as from the theorists of other schools. But Wieser's work on Natural Value, more than any other production of the Austrian economists, presents clearly and fully, the fundamental ideas which the different members of the school hold in common. A review of that work naturally involves a criticism of what has come to be known as the Austrian theory of value.

By far the most prominent characteristic of the Austrian theory of value is its complete dependence upon the principle of marginal utility. A man having an income of \$1000, spends part of it for necessities which are of immeasurable utility to him, other portions are used for the gratification of



desires of less and less intensity. The satisfaction which would in that case depend upon the possession of the last dollar of the income would measure the marginal utility (or, as the Austrians would say, the value) of a dollar to the man in question. Of course the principle applies to stocks of other goods as well as to dollars.

As is well known, this principle of the decreasing utility of duplicated goods is by no means new to economic theory or to the English literature of the subject. Senior\* mentioned it as early as 1836 and Robert Jennings† in 1855 set it forth as "the foundation of the changes of money price, which valuable objects command in times of varied scarcity and abundance." Passing by numerous French and German writers who enunciated the principle with more or less clearness, we find that Jevons preceded the Austrian economists in developing the theory that marginal ("final") utility rather than cost of production is the basis for the ratios of exchange. Professor J. B. Clark‡ also approached the Austrian conception in making value "the measure of effective utility." It is for the systematic and thorough development of the theory of marginal utility rather than for the theory itself that we are indebted to the Austrian school. While the conception is older, the term itself, marginal utility (*Grenznutzen*), was first introduced by Wieser in his "*Ursprung des Werthes*," 1884. It is now generally accepted by economic writers.§

Although Jevons and the Austrians agree in considering marginal utility the basis of value, we find an important difference in regard to the fundamental meaning of the word value. Cairnes opens his political economy with this statement: "The sense proper to value in economic discussion

\* In a treatise on Political Economy, contributed to the "Encyclopedia Metropolitana," p. 12 of the second (cabinet) edition. Quoted by Jevons in the "Theory of Political Economy," p. 53.

† Quoted by Jevons, p. 55.

‡ *New Englander*, July, 1881.

§ See Marshall's "Principles of Economics," second edition, p. 14, note.

may, I think, be said to be universally agreed upon by economists, and I may, therefore, at once define it as expressing the ratio in which commodities in open market are exchanged against each other." Jevons accepted this concept, but felt obliged to avoid the use of the word value, because he recognized that popular usage did not agree with the definition of the economists. The Austrians, on the other hand, follow Menger in defining value of goods as "the importance which concrete goods, or quantities of goods, receive for us from the fact that we are conscious of being dependent on our disposal over them for the satisfaction of our wants."\* The difference must not be overlooked. On one side value is regarded as a ratio between commodities, on the other as importance for human well-being. One conception is objective, the other subjective. In English theory value is a relation between commodities, in Austrian theory it is primarily a relation of commodities to human wants. According to the English definition no commodity could rise in value unless the other commodities with which it was compared fell to a corresponding extent. From the Austrian standpoint a commodity may, through scarcity or increased need, increase in value without regard to other commodities.

Although the English-speaking public has long been drilled in the ratio concept of value, there can be no doubt that common usage is much more in keeping with the Austrian view. The ratio concept is more simple from a theoretic standpoint, but it may well be hoped that the great problems of economic policy can be more satisfactorily solved when the fundamental concept of the science becomes "importance for well-being" instead of "a relation between commodities."

But here again we are indebted to the Austrian economists for systematic and convincing exposition rather than for discovery. In spite of their definitions English economists from Adam Smith down have occasionally spoken of the

\* "Natural Value," p. 21.

time and trouble required for obtaining anything as the measure of its value.\* Jevons† thought that value in ordinary parlance was identical with final utility, and Professor Clark‡ not only recognized but adopted the subjective concept. It seems to be largely through Austrian influence, however, that recent contributions to economic theory have generally accepted the subjective concept as the primary meaning of value and used the phrase, "objective value," (or more exactly "objective exchange value,") to designate the power of commodities to command each other in exchange.

The Austrians, as Menger's definition indicates, consider value as primarily an individual matter. The value of a dollar will vary from individual to individual, according to the amount and intensity of their wants, and in inverse ratio to their respective incomes. As the value of a dollar varies among individuals, so will the value of the commodities for which the dollar is exchangeable. The rich man's trifle is the poor man's fortune. Even when the subject of exchange is taken up, the personal valuation is maintained. The exchange value (*Tauschwerth*) of a commodity is the subjective importance of the goods for which the commodity will exchange. Thus it is only when two men are in the same economic condition that even the (subjective) exchange value of a commodity is the same to both of them.

Yet Wieser § recognizes that "when we speak generally of the value of goods we mean the economic rank given them by their prices," and thus is introduced a phase of value which is practically the same as the "power in exchange" of the English writers. This objective exchange value is designated *Verkehrswerth* by Wieser, to distinguish it from the subjective *Tauschwerth*, and the translator has yielded somewhat to English usage in rendering the former term by

\*In such expressions value denotes subjective importance, though viewed from the side of cost instead of utility.

† "Theory of Political Economy," pp. 80 and 162.

‡ "Philosophy of Wealth," V.

§ "Natural Value," p. 51.



the phrase "exchange value" without qualification. The relationship between subjective value and market price has been treated more fully by Böhm-Bawerk,\* but Wieser's brief statement gives the essential thought. Every one before making a purchase forms some mental estimate of the importance of the article to him, this importance depending of course upon his present supply and need, in accordance with the principle of marginal utility; but before making a rational purchase one must also form a mental estimate of the value of the dollar to him, lest in making one purchase he may spend money required for other purchases of more importance. In other words, everyone must enter the market with all personal valuations expressed in terms of the monetary unit, however much the value of this unit may vary between individuals. A stock of goods placed upon the market does not go to the persons who value them most, but to those whose subjective valuations are expressed in the largest number of dollars and cents. The price then is not fixed by the marginal want which the stock is sufficient to supply but by the marginal money equivalent of these subjective wants. The price does not represent a definite degree of want but simply the amount of money or other commodity which the marginal buyer is willing to give.

Having once shown that prices are developed from the action of personal valuations in the market, the Austrians abandon the subjective standpoint for the time and like the English economists treat exchange value as a relation between commodities.†

\* "Grundzüge der Theorie des Werthschaftlichen Güterwerths," in Conrad's *Jahrbücher*, vol. xiii, 1886. See "Positive Theory of Capital," p. 129.

† "Subjective value represents a distinct feeling; that of being dependent upon the possession of a good for the satisfaction of a want,—a distinct degree of personal interest in goods. Objective value, on the other hand, merely represents a definite price; a definite amount of payment which is expected or required in buying or selling. The former has its measure in the different gradations of desire, the latter in the quantities of coin,—in the figures of the price." "Natural Value," p. 51.

"Exchange value is the capacity of a good to obtain in exchange a quantity of other goods. Price is that other quantity of goods" "Positive Theory of Capital," p. 132.

This relapse from the subjective standpoint, whether necessary or not, seems at least unfortunate. The Austrians have given us the vision of a theory of value resting upon the substantial basis of importance to human well-being, but in the field of exchange value where we have the greatest need for some substantial basis, we are left with the old idea, that value is an expression of quantity of goods rather than of subjective importance—a relation of goods to each other instead of their relation to human welfare. Looking at economic life from the individualistic standpoint, they have failed to conceive the idea of social utility\* as applicable to our present condition of inequality among individuals. The fact that differences in wealth regularly cause goods to pass by the urgent needs of the poor in order to satisfy the slightest wish of the rich has seemed to the Austrians an insuperable barrier to the maintenance of the subjective standpoint in dealing with the exchange value that now governs industrial economy.†

Wieser avoids this difficulty of applying the principles of subjective value to a society where inequality of wealth prevails by imagining a communistic state where private property does not exist and the use of goods is distributed according to needs. The distorting effect of differences in ability to pay is thus removed, as well as the disturbances of "error, fraud, force and chance."

The communistic society, like the person in the individual economy, is supposed to so utilize its goods as to satisfy all wants down to the lowest degree that the total supply of the commodity will cover. The importance of a unit of a commodity, a bushel of wheat for example, may now be accurately gauged by the marginal utility of the supply of that commodity. In such a state every means for the satisfaction of human want would be valued according to the degree of want which would be dependent for its satisfaction upon the

\* Professor Clark, for example, looks upon value as a social fact—the measure of final utility to society. See *Yale Review*, November, 1892.

† "Natural Value," bk. ii, III.

particular article in question. It would have what Wieser calls its *natural value*.

This concept of natural value is introduced toward the end of the second book of Wieser's work and becomes the main theme of the remaining books, which are entitled respectively: "The Natural Imputation of the Return from Production," "The Natural Value of Land, Capital and Labor," "The Natural Cost Value of Products," and "Value in the Economy of the State." The fact that the supposition of a communistic state underlies the discussion must not lead the reader to think that the work is a treatise upon socialism. The object of the work is to elucidate the fundamental principles of value and distribution, and to this end the fiction of an ideal communistic state serves two purposes: it eliminates many complications and disturbances which might otherwise detract the student from a clear insight into the underlying principles which are the basis of all value relations, and it also serves to give the student a clearer idea of the real nature of the services for which rent, interest, and extra wages are paid through the consideration of the question whether or not these services would retain their value in a communistic state. The chief difference between natural value and exchange value has already been indicated: the former expresses what would be the marginal utility of goods if they were distributed according to needs, the latter is the marginal valuation when goods are distributed according to the amounts offered in exchange for them. The conceptions have much in common and Wieser constantly indicates the changes which must be made in passing from the realm of natural value to existing conditions.

Our author next takes up the subject of "imputation." When several factors co-operate in the satisfaction of a single want, how is the economic importance of the several factors to be determined? Upon what principle is the value of a service to be imputed, in an economic sense, to the various contributing elements? It is evident that the solution of this



problem involves an explanation of the relation between value and cost of production. It is for the extended treatment of the costs of production that Wieser's work stands pre-eminent among the Austrian writings.

As is well known, the prevailing economic theory makes cost of production the determinant of the normal value of products, while the Austrian economists claim that the amount of the costs is really determined by the value of the products. Does cost determine value or value determine cost? Stated in this way the case appears to be one of direct opposition and Böhm-Bawerk says of it: "That is a question as fundamental for political economy as the question between the Ptolemaic and Copernican systems was for astronomy." \*Close study, however, will show that the opposition between the two schools is by no means direct. The Austrians do not disprove, nor even reject, the classical tenet that the values of goods regularly produced under free competition tend to conform to their costs of production. They have simply taken one step back of the English point of view and there perceive that the values of the elements which enter into and make up the costs of production are themselves derived from the utility and scarcity of the various elements. If the Austrians would state their case in this simple form, instead of declaring a revolution, they could hardly be opposed.†

It is to be noted in passing that the Austrian idea of cost is entirely independent of the painfulness of labor which English economists have sometimes vaguely imagined to be the basis of their theory that cost determines value. No one who studies modern social conditions can claim that labor is paid or even tends to be paid in proportion to its painfulness, and furthermore, many items of cost, such as

\* "The Austrian Economists," *ANNALS*, vol. i, p. 371, January, 1891.

† Since this paper was written the relationship between cost and value and the real nature of the cost which regulates value have been treated by Böhm-Bawerk: "*Der Letzte Masstab des Güterwertes*," *Zeitschrift für Volkswirtschaft, Socialpolitik und Verwaltung*. Dritter Band, II. Heft. "The Ultimate Standard of Value," *ANNALS*, vol. v, p. 149, September, 1894.

minerals and the use of land, are not produced by labor at all. Cost from the Austrian standpoint is the sacrifice of a utility and unless an equal or greater utility results from any outlay in question, the outlay is not economic. This may not be the idea of cost which best expresses human progress and welfare, but it may well be conceded that it is this form of cost which determines exchange values.\*

Instead of treating the value of an element of production as a simple case of value determined by the marginal utility of the element in question, both Wieser and Böhm-Bawerk have chosen to explain cost values as a manifestation of the principle of complementary goods. Menger had proposed to ascertain the value of any good by considering the amount of loss that would result from its annihilation. Upon this principle a single glove carries with it the value of the pair, and each horse of a perfectly matched span is valued at more than half the value of the span, for if either horse should die more than half the value would be lost. In like manner, if a half dozen elements co-operate in forming a desirable product—say a loaf of bread—the lack of any one ingredient might seriously impair the usefulness of the others. So Wieser criticises the position of his predecessor on the ground that were the elements of production valued in this way the sum of their values would exceed the value of the product which is made from them, and the manifest absurdity would be reached that all production is carried on at a loss. Wieser thereupon brings forward his concept of the “productive contribution” (*Beitrag*). “The deciding element is not that portion of the return which is lost through the loss of the good, but that which is secured by its possession.”†

In order to arrive at the amount which each element contributes to the value of the product the algebraic method of solution by equations is proposed. Let  $x$ ,  $y$ ,  $z$ , etc., stand

\* For a fuller development of this line of thought, the reader is referred to an article by the present writer entitled “Pain-cost and Opportunity-cost,” in the *Quarterly Journal of Economics*, January, 1894.

† “Natural Value,” p. 85.

for units of the productive elements, such as materials, labor of different grades, and the use of capital. The same productive elements enter into various products in various proportions. By observing the values and composition of the products (these values being fixed by the marginal utility of the products), we would discover equations after the manner of the following :

$$x + y = 100$$

$$2x + 3z = 290$$

$$4y + 5z = 590$$

from which the unknown values may be determined. Of course, in actual economic life the number of productive elements is almost unlimited, but the number of combinations which would give independent equations is fully as large. Solved in this way, the sum of the productive contributions of the elements is bound to equal the value of the product. The productive contribution which is everywhere assignable to a given element of production is the cause and measure of its value. An increase in the supply of an element would extend it to uses of less importance and so reduce the productive contribution that could be imputed to it. The productive contribution of a given element must be uniform in its different uses for otherwise the element would be transferred from one use to the other.

Wieser's method of solving the problem of the imputation of value to cost goods is stated here somewhat fully because he seems to regard it as an important contribution to economic theory, and constantly refers to it as the basis of his subsequent arguments. This method of solution is, I believe, peculiar to Wieser among the Austrian writers, and I venture to call it the weakest point in his theory of value. Several points of criticism will be briefly stated:

(1) The problem of imputation is to ascertain, not what are the values of the elements of production, but what forces make those values what they are. Wieser's equations might give us the values, but they could never explain the values.



(2) Weiser's method can give us no rules for the apportionment of an element to its different uses, for unless the apportionment is already perfect an element will be given a greater value in one use than in another, the different equations will not be simultaneous, and the solution will be impossible.

(3) The criticism of Menger is not well founded. Wieser, in common with other writers, has failed to distinguish between special and general values. General values are those which prevail in the market where all goods that are precisely alike have the same value. Here the action of the marginal law is apparent. Special values attach to individual articles under special circumstances. The value of a loaded revolver to the waylaid traveler, the value of a mastiff to its fond master and the value of a lost glove when its mate is in possession, are examples of special values. In fact almost every article, when in actual use has in addition to the general (market) value some special value on account of its special adaptation or on account of the delays and inconveniences which are in the way of replacement. Goods ordinarily sell at their general values, a dealer can secure special values only through extortion. General values usually correspond with costs of production, but special circumstances may give a five cent iron bolt the value of thousands of dollars.

Now it will be noticed that in criticising Menger's method of estimating values through loss, Wieser always bases his objections upon special values, and does not notice that his own method of solving through equations would fail completely in the same cases. Add together the special values which attach to every piece of metal in an engine in service and the sum would far exceed the value of the engine. It does not matter. The parts are not bought and sold at their special values. Again let us suppose that bread made without salt would be worthless. Would Menger's formula then assign to the salt a value equal to that of the bread? Only

under the strict condition that no more salt could be obtained. Complementary goods are especially subject to an extra special valuation, but they do not attain this extra valuation in a general market. The fact that salt is an indispensable ingredient of many valuable foods has no effect upon its value so long as the supply is sufficient to satisfy also its less important uses. Menger's principle, when rightly used, is quite correct. The value of anything may be estimated through the loss that would result from its annihilation. But a serious error would be involved should we undertake to derive the general value of a commodity from the loss that might occur under special circumstances.

(4) In maintaining the importance of the principle of complementary goods, Wieser seems to overlook the distinction, which he elsewhere well observes, between the value of a commodity taken as a whole and the value of some small quantity of the commodity. General values have to do with the small portions that are bought and sold at a time. The value of salt, taken as a whole, is indefinitely great, for we could hardly live without it, but the small quantities that are bought and sold at a time have no such importance. It is customary to estimate the value of the world's supply of a commodity as the product of the quantity and marginal value, but if an inhabitant of a neighboring planet should offer to buy the whole supply at the marginal rate we could by no means afford to accept the offer.\* There is seldom any cause, however, for estimating the value of a total supply. General values have to do with the small portions that are bought and sold in single transactions. These portions of a commodity have comparatively small value because, if a portion were lost, it could be replaced by simply withholding some of the commodity from its marginal uses. Wieser refers the values of capital and labor to the principle of complementary goods, on the ground that each is indispensable

\* Professor Ross has brought out this limitation to marginal utility value in "The Total Utility Standard of Deferred Payments," *ANNALS* vol. iv, p. 425, Nov., 1893.

for the fruitfulness of the other. It is true that capital and labor as a whole are thus mutually dependent, but labor and capital do not bargain with each other as a whole. The use of either capital or labor is valued in the open market according to its marginal uses, no less truly than it would be if their activities were quite independent of each other.

(5) Menger's division of economic goods into ranks is an impediment rather than a help to a clear understanding of the process of value formation. Menger's conception is adopted by the other Austrians and is well known. Goods of the first rank are those ready for consumption, such as bread and clothing. Their utility is the source of all value and is reflected back to goods of the second rank, such as flour and cloth, and so on to goods of more remote ranks, as wheat, land, plows, iron. It is evident that the series could be extended back quite indefinitely. This division into ranks would doubtless be a very important matter if it were only true that each commodity belonged to some particular rank, but as a matter of fact there is hardly a commodity in general trade but what has different uses which would make it belong at the same time to an indefinite number of ranks. The effect upon the price of salt is exactly the same whether a given demand is for direct consumption, for use in cooking, or for use in some remote manufacturing process. In every case, so far as economic life is well organized, the use of a commodity is extended in all ranks till the common marginal utility is reached.\*

To sum up the criticism of Wieser's theory of imputation I should say that he has introduced many perplexing and useless complications in an attempt to explain a process which in its outline is simple and easily understood. The essential fact that lies at the bottom of Wieser's arguments has already

\*I would not underestimate the importance of Menger's observation that all production goods derive their value from the consumption goods (or the consumption uses) which are expected from them. That observation is essential to an understanding of economic life, but the supposed arrangement of goods in ranks only makes it more difficult to apply the theory of value to actual conditions.



been given. The general values of the elements of production are derived from the utility of the elements and tend to equal their respective marginal utilities. It naturally follows under a system of private property and free competition, that any one whose ability or whose possessions enable him to supply many services or services which have a high marginal utility will therein be enabled to secure a large income.

In applying his theory of imputation to the leading factors of production—land, labor and capital—Wieser brings out many interesting distinctions and offers some valuable criticisms. His treatment of capital demands attention on account of its relation to Böhm-Bawerk's more extended work. Discarding the idea that the average man desires to provide for the present at the expense of the future, Wieser seems to find the cause of interest in the productivity of capital. By imagining a number of cases of the use of capital in varying degrees, and supposing the contribution due to capital to be ascertained by solving the equations which the different cases furnished, our author concludes that when the co-operation of capital is an element of production a part of the value of the product is to be imputed to the use of the capital, and that the amount to be so imputed will vary directly with the amount of capital involved and the period of time for which it is withdrawn from other uses. That the use of capital does yield such a surplus value no one can doubt. It can only be regretted that Wieser has not done more to show us why it is so. He does not recognize the simple fact that while longer processes of production give larger returns, abstinence from present consumption is limited by the pressure of present wants so that the marginal utility of waiting is appreciably high.

Wieser and Böhm-Bawerk differ in their methods of approaching the interest problem rather than in the solution itself. Böhm approaches the problem through the observation that interest implies a difference in value between present and future goods. He seems to think that, as a rule, future

wants also are discounted in the present. The former proposition cannot be doubted, but the latter is denied by Wieser and is certainly open to question; furthermore, it is by no means essential to Böhm's theory. While holding present and future wants in equal estimation one may assign a higher value to present goods\* on account of the increase which could be obtained from them, or as Böhm would say, on account of the technical superiority of present goods. Though a hundred dollars' worth of enjoyment next year or this year were equally desired, one would undoubtedly prefer to have the hundred dollars at once, because as a matter of fact we know that the hundred dollars could be so invested as to yield an extra five dollars by next year. The difference in value between present and future goods is a necessary feature but not an explanation of interest payments. Both Böhm and Wieser depend for their solutions of the interest problem upon the service of capital in industry. Böhm thus accounts for the higher value of present goods, while Wieser considers the productive contribution imputable to capital as the direct cause of interest.

Having expounded his method of imputing the return from production to the different contributing services, Wieser next takes up the relation between the value of the services of permanent goods, such as land and fixed capital, and the value of the goods themselves. The ordinary principle of capitalization is found to be correct.

The book entitled "The Natural Cost Value of Products," is especially strong and acquits the Austrians of the frequent charge that they do not recognize the influence of cost upon the value of products. Unlike the classical economists, however, Wieser takes the ground that when all the costs are reckoned they equal, under natural conditions, the value of the product. The difference between the two views is a

\* By present goods I mean goods at hand as contrasted with goods to be had in the future. The use of the term present goods to denote goods ready for consumption in contrast with production goods is confusing.

matter of terminology. There is no agreement between economists or business men as to where the line shall be drawn between costs and profits. Hired labor is perhaps always included in cost, but the entrepreneur's services, the use of capital and the use of valuable land and other natural resources are, as a rule, altogether or in part omitted. Wieser includes all such services under costs and thus leaves for profits only the fortuitous and temporary gains that arise from economic changes. He recognizes that the available supply of capital, of exceptional talent, of rich mines, or of favorably located land is limited; and if the best results are to be obtained from our productive forces, whether we take the social or the individual standpoint, the use of these productive powers must not be wasted. They must not be assigned to a given line of action without counting the cost. The whole discussion is replete with valuable suggestions.

One other point is made so prominent that it ought not to be overlooked here; namely, that while the recognition of the services of land and capital as a part of the cost of production, refutes the socialist's claim that value is due to labor alone, and accounts for rent and interest, it does not prove anything either for or against the justice or expediency of allowing these sources of value to become sources of private income.

The last few pages of Wieser's book contain a very brief application of the theory of subjective value to the economy of the State. Taxation in proportion to wealth condition is justified on the ground that every one thus would contribute an equal amount of subjective value. Yet Wieser maintains, in opposition to Sax, that a more strictly economic distribution of the burdens of taxation would place them all upon the rich, for thus the total sacrifice would be reduced to a minimum.

In respect to amount of taxation or of expenditure through the State, the principle is taken from Sax that the line should be drawn at the point of greatest return. "If the State should claim too much, it diminishes value by expending goods for purposes of State economy which would



have a higher value if employed in private economy. If it claims too little, value is again diminished—as in this case also the entire importance of the goods is not realized.”\* The special field for State activity, however, is found along three lines: (1) when only collective action would guarantee sufficient power; (2) when the benefits of an enterprise would be so diffused that it would prove unprofitable in private hands; and (3) in enterprises which are natural monopolies carrying with them powers that would not be safely vested in private hands.

On closing Wieser's book which has “attempted to exhaust the entire sphere of the phenomena of value,” one naturally pauses to consider whether any important phase of the subject has been passed without notice. There is little difficulty in finding such omissions.

The treatment of value as a development from utility naturally throws emphasis upon demand, and thus contrasts with the cost theory, which finds the decisive element in value formation upon the side of supply. Wieser's extended treatment of the effect of cost of production upon the supply and through supply upon the value of products frees the Austrians from the charge of having neglected the consideration of supply. Yet it will be noticed that Wieser only attempts to account for the supply of products. The important question that the Austrians have neglected is,—What are the forces which fix the supply of the elements of production? Granting that we have a definite supply of the elements of production, the Austrian theory gives us the best method of accounting for the value of goods, but it will not do to take this supply for granted. The supply of none of these elements is fixed independently of man's volition. The amount of available land might be increased by migration or by transportation facilities. The supply of labor of all grades could be increased, for the time at least, by working harder, and labor could be transferred from one grade to another by

\* “Natural Value,” p. 235.

education. Capital could be increased by saving more. The principles which determine the supply of these elements of production must form a part of any complete theory of value.

A second field of inquiry, important to the theory of value but neglected by our author, is that which embraces the products and services of monopolies. In drawing a contrast between monopoly goods and cost goods Wieser thus describes the former class:\*

Characteristic of this group is the comparative rarity of such goods as compared with the demand for them, or, it may be, the comparatively small quantity that can be produced. As examples of goods which have pronouncedly the character of monopoly may be mentioned the following: Scarce raw materials, land exceptionally situated, the work of one peculiarly gifted—particularly an artist or scientific worker of the highest rank,—a secret and at the same time successful process (or, more exactly, the exclusive knowledge of such a process, whereby the persons who have it obtain a preference over others), and, finally, works of human hands, which, on account of their size, or on account of technical difficulties, cannot be repeated.

We can hardly say that Wieser is wrong in the definition of monopoly which this passage gives, for there is no agreement among economic writers in the use of the term, but it seems at least more appropriate to use the word monopoly to designate an industry or the condition of an industry which is under a single management to such an extent that the amount of the output or the price of the product or service is not subject to the forces of competition. Under free competition the amount and the price of the product is closely limited by the competitive forces, but under monopoly the output and the price are, within comparatively wide limits, under the dictation of the management.†

In this sense there is no general monopoly of land or of skill, for land-owners compete with each other, and so do

\* "Natural Value," p. 108.

† It may be observed that monopoly is a matter of degrees. No enterprise is entirely free from the limitations of competition, and every form of private property has an element of monopoly. As with all natural groups the lines of division cannot be definitely drawn between monopolies and competitive industries, yet the general characteristics of the two groups are evident.

skilled laborers. Rents and wages are fixed for the most part by competitive forces, while the prices of such common and cheap products as sugar and petroleum seem to be largely under the dictation of monopolies. Wieser's treatment of monopoly goods corresponds with his definition. He accounts for the high value of goods that are useful and scarce through the principle of marginal utility, but he fails to consider the real monopolies. It is not the marginal utility of car rides that fixes the fare at five cents, nor is it the marginal utility of a patented invention that determines its selling price. Where a product or a service is controlled by a strict monopoly either the supply is limited arbitrarily or the price is established first and then the use of the article is extended till the marginal utility reaches the arbitrary price. In such cases the price determines the margin of use instead of the marginal utility determining the price. The Austrian formula certainly does not apply here, but the action of monopolies is not without system and the rules which prevail in the establishment of monopoly prices are of increasing importance to the theory of value.

A third shortcoming in the work of the Austrian economists lies in the fact that economic theory is not to be confined to an explanation of values. Professor Macvane\* justly complains that they seem to have no idea of subjective cost. A clear and correct theory of value is a matter of immense practical importance, but after all the end of economic action is utility rather than value, and the success of a nation's economy is to be found, not in the value of its possessions, but in their utility, in the privileges for enjoyment and development compared with the discomforts required for securing these privileges. Pain-cost must be compared with total utility, rules must be formed for increasing the surplus of utility, and the forces which determine the distribution of this surplus must be made clear to the end that the progress of the race may be promoted.

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\* *Quarterly Journal of Economics*, April, 1893; and *ANNALS*, vol. iv, p. 348, Nov. 1893.



## MONEY AND BANK CREDITS IN THE UNITED STATES.

Money is the medium of exchange. It makes no difference whether it is made of paper, gold, silver or other material, no matter whether it represents gold, silver, labor or some imaginary value; the medium of exchange, that for which everything is bought and sold, is money. Money is sometimes said to be the standard of value, as the yard is the standard of length, but this is a misconception, and has led to many errors. The standard of value may be an ounce of gold, a pound of silver, a bushel of wheat, an hour's labor, while coincidentally, money may be composed of paper or any metal, so long as it represents the standard of value or some multiple or fraction thereof. That it must represent the standard of value is plain. By definition, the standard of value is the basis of exchange; so, evidently, the medium of exchange must be either such standard or its representative.

The standard of value in this country at present is 23.22 grains of pure gold. The money consists of paper and various metals. In the case of the gold dollar, the standard of value and medium of exchange are identical, but the gold dollar is but one of the various forms of money in use.

Bearing this distinction in mind, the essential characteristics of money are: first, that it should represent the standard of value; second, that it should be sufficient in amount to supply the needs of business; third, that it should be elastic. The essentials of the standard of value are radically different. They are: first, it should be as fixed as possible in value; second, it should be capable of being used as money; third, it should be sufficient in amount to act as a basis for money. Of course since money represents the standard of value, if

the standard is bad, lacking any of its essential characteristics the money based thereon cannot possibly be good. But no matter what the standard may be, money in order to be the best possible based on such standard, must possess the above mentioned characteristics. In discussing the money question, therefore, it is not necessary to bring in the matter of standard, since independent of the standard, the system of money may be good or bad in itself.

For convenience, however, this paper is written with special reference to the present standard, but the general principles herein outlined would be just as applicable to either a silver or a bimetallic standard.

The first essential of money is that it should represent the standard of value; at present, therefore, every dollar whether composed of paper, silver or gold, must represent 23.22 grains of gold. This does not necessitate the existence of such gold for every dollar in circulation, but experience proves, and common knowledge now recognizes, that it does require the ability to obtain such gold for every and any dollar whenever desired. If at any time the people become doubtful of the redemption of a dollar in gold, that dollar immediately loses its representative and assumes a speculative character and value.

In order that this confidence should exist, it is necessary that some person or corporation should hold itself out as ready to redeem such dollar; that such person or corporation should be able so to do, and that people should have absolute confidence in such purpose and ability. In order to create confidence in such purpose to redeem such issue, it is necessary that the issuer thereof should be the government, and such purpose its established policy, or else a banking institution with such redemption required by law. In order to create confidence in ability to redeem, if issued by government, its credit must be good and it must have the gold reserve recognized by bankers as sufficient; if issued by a banking institution, in addition to such requirements,

there must be back of such issue a sufficient guarantee or security.

As regards the gold reserve necessary to sustain government notes, the financial world apparently assumes fifteen per cent of the issue to be sufficient. That fifteen per cent is sufficient, provided the policy of redemption in gold is established, the present condition of the United States Treasury proves. There is outstanding in paper money and coin issued by the United States, exclusive of gold and gold certificates, about ten hundred million dollars, and there is a reserve of less than one hundred million dollars of free gold to sustain this issue. This is less than ten per cent, and should be increased, but, nevertheless, now that the policy of the United States has been established by the repeal of the Sherman Act, there is no doubt as to the value of this money, and the mercantile world and people generally have absolute confidence in it.

There is at present in the treasury in addition to this free gold, something less than one hundred million dollars in gold, against which there are outstanding gold certificates. If these certificates were converted into notes merely redeemable in gold, we should then have over one hundred and fifty million dollars of free gold in the treasury, as a reserve against the money, not gold or gold certificates, issued by the United States.

I omit all reference to silver held by the treasury, since, not being the standard of value, and therefore not at present available for the redemption of the currency, it is of no value except as assets increasing the credit of the government; it would, however, become immediately available as a reserve if bimetallism should be adopted. The currency of the United States would evidently be safe beyond cavil, even in times of great financial uncertainty, if it should be the established policy of the government to keep continuously on hand in the treasury approximately two hundred million dollars of free gold for its redemption; one hundred and fifty



million dollars thereof being set aside by law to be used for such purpose and for no other, and the Secretary of the Treasury being authorized and empowered at any time when such fund should fall below one hundred million dollars to issue short term gold bonds of the United States to an extent not to exceed fifty million dollars for the purpose of restoring it. It should be, as it is, the policy of the government to increase the free gold in the treasury held for redemption purposes as rapidly as possible until it shall reach one hundred and fifty million of dollars.

In order to facilitate this end, the further issue of gold certificates should be prohibited by law, and when the certificates now outstanding are returned to the treasury, they should be canceled, and treasury notes redeemable in gold issued instead, for so long as gold can be obtained on demand for treasury notes, these gold certificates are of no special utility in the financial world, and diminish the amount of free gold held by the United States. The adoption of this law might well result in the increase of the gold reserve. It is probably expedient, however, to issue gold bonds for this purpose.

It is of course desirable that the present policy of the government to redeem all its notes in gold should be confirmed by law. As already stated, there are outstanding government notes and silver to the extent of about ten hundred million dollars; in addition to this, there is also in circulation gold and gold certificates to the estimated amount of about five hundred million, making the total amount of money in circulation issued directly by the government, exclusive of that in the treasury, over fifteen hundred million dollars.

This money at present possesses the first essential of good money, it represents the standard of value, and by the adoption of some such measures as above suggested, such character can be easily and permanently maintained, even if it should become necessary in the future to increase the amount of issue.

As for the second characteristic of money, namely, its sufficiency to supply business needs, this issue is insufficient, but as it entirely lacks elasticity, there is probably as much of it as it is desirable to have. The absence of elasticity is characteristic of any money issued directly by the government, for the reason that there is no method of withdrawing such money from circulation, unless voluntarily returned by the holders, nor is there any method of expanding the issue except by committing such expansion to the discretion of some officer of the government,—an objectionable plan.

In order that the currency should be properly elastic, it should expand and contract automatically in response to the financial needs of the country. This quality can never be possessed by money issued by the government. Therefore, in order that the money of this country should possess the necessary elasticity, the government issue should be supplemented by some other form of currency. In view of this fact, it would be unwise at this time to increase the amount of this money, it being now almost sufficient to supply the needs of the country, and leaving but a comparatively small margin for the supplementary currency necessary to give elasticity to the whole.

The only other form of money is the bank note. In order that these notes should represent gold, it is not necessary that they should be payable in gold by the banks upon demand; it is sufficient if they be payable in the notes of the United States which are immediately convertible into gold; provided, of course, that upon failure of the bank to redeem, they become treasury notes, and therefore themselves redeemable in gold by the government.

As for the reserve necessary to be held by the banks for their redemption, as there is no likelihood that any large number will be presented for redemption at one time, there is no occasion for a large reserve. The present legal reserve of from fifteen per cent to twenty-five per cent of legal tender notes of the United States, has been found sufficient.

But what is required, is reasonable certainty as to solvency, and protection against possible insolvency of the issuing bank. It is only in the latter case that the responsibility for such notes falls upon the government, and therefore upon its reserve of gold. With a proper banking system, therefore, a gold reserve of one hundred and fifty million dollars is sufficient to support not only the present government issue but bank notes to a very large amount based thereon; and as there is over five hundred million dollars of gold in this country and a large annual output, there should be no difficulty in maintaining such reserve. The difficulty is not to provide sufficient money, but to make it elastic. Our national banking system has ceased to fulfill its function of providing a circulating medium, and it never did provide a sufficiently elastic one. At one time, now past, when owing to the higher rates of interest borne by government bonds, it paid the banks to issue currency, it provided a safe circulation, but since such circulation could not be increased except by the deposit of additional securities, its expansion was most difficult when most needed, during times of financial stringency. The issue being further hampered by the difficulty of promptly providing the notes themselves. At present, however, owing to the low rate of interest and high premium on government bonds, the issue of money is unprofitable to the banks, and the circulation has a tendency to decrease. The national banking system therefore should be modified so as to overcome these difficulties.

In this connection, it has been suggested by bankers that no security for bank notes is necessary and none be required, as where security is required elasticity is impossible. The history of our national banks shows that with a bank circulation limited to the amount of the capital, an annual tax of one per cent has more than sufficed to redeem the circulating notes of all the banks that have failed during the past thirty years, and therefore it is claimed the government would be safe in authorizing such issue upon such conditions. But



the conclusion is neither logical nor necessary. How can it be known that the mere authorization of such issue would not give an impetus to wild-cat banking that would lead to serious loss? Certainly, it cannot be assumed that the results would be the same, the conditions being changed. On the contrary, the profits of such circulation would be so large, that probably banks would be organized for the express purpose of obtaining the benefit thereof, which would result in an inflation of currency and of credit, with all its resulting evils of a crisis, bank failures and depression. Nor is it certain that the desired elasticity would be attained. The tendency would be for the banks to issue their full quota of currency without delay, leaving no opportunity for further expansion in case of stringency. It is evident, therefore, not only for the security of the currency, but to prevent an undue expansion thereof, and to protect the banking system, that security must be required for the normal bank issue. Nevertheless, the objection is well taken that the absolute necessity of security prevents elasticity. Logically, therefore, provision should be made for an additional bank issue under exceptional circumstances without additional security, care being taken that this increase should be automatically limited to times of special stringency and that the stringency having passed, it should automatically withdraw itself.

But first should be considered the securities to be required for the normal issue. At present the total national bank issue is about two hundred million dollars, and this may be expected to diminish as it is greater than normal owing to the late panic. Each bank is at present authorized to issue notes to the extent of its capital, which is by some thought to include surplus and undivided profits. The total capital of the banks is at present about seven hundred millions. The surplus and undivided profits increase this amount to over one thousand millions.\* Although it is necessary that provision be made for an increased bank circulation, both

\* Comptroller's Report, 1893, p. 4.

ordinary and extraordinary, there is no present need for any such amount as this and probably will not be for some time, especially as the issue authorized by law increases with the banking capital. It would probably be sufficient if the banks were authorized under normal conditions to issue their notes to the extent of one-half of their capital, surplus and undivided profits, the conditions of such issue being made favorable rather than almost prohibitive as at present. This would authorize a normal circulation of something over five hundred millions of dollars, at the same time leaving room for an expansion under exceptional circumstances to double this amount, without the circulation of any bank at any time exceeding its capital, surplus and undivided profits. But this normal issue of five hundred million dollars requires a deposit of securities of an even larger amount. Since United States bonds no longer answer this purpose, securities must be looked for elsewhere, their essential characteristics to be strength, value and marketability. As the selection of such securities can not wisely be left to the discretion of any one, conditions must be found which being required of the securities, will insure their possession of these qualities without affording any opportunity for discrimination on the part of any officer of the government. Public securities should be utilized as far as possible, not only because their value is more fixed and determined, but also because the increased market therefor would be to the public benefit.

Outside of the United States and District of Columbia bonds, the principal forms of public securities are State, territory, county and municipal bonds. With regard to State and territory bonds, the provision of the New York savings bank investment law,\* that there should have been no default in the payment of either principal or interest thereon during the preceding ten years, recommends itself. With regard to county and municipal bonds, the same provision, with the additional limitation to the bonds of

\* Revised Statutes, N. Y., p. 1568.

corporations of at least 10,000 population, whose debt does not exceed ten per cent of assessed valuation, seems to be sufficient. Provisions of this character are found in the savings bank investment laws of various States. But the total amount of State, territory, county and municipal bonds filling these requirements is largely under one thousand million dollars, probably does not equal seven hundred million, so there is not a sufficient amount thereof available at a profitable price.

Having exhausted public securities, we come to those most nearly resembling them—railroad bonds. Railroads being public corporations are subject to State control, and their interest is to a great extent public interest. But can conditions be imposed which will satisfactorily insure their fixed and permanent value. The provision of the savings bank investment law of Connecticut\* controlling such investments seems to be good. This law permits investments only in the first mortgage or consolidated bonds of such railroads as have paid at least five per cent dividends on their stock for each of the five preceding years. This requirement would seem to be entirely sufficient. This is strikingly evident by a statement published in the "Investors' Supplement" of the *Financial and Commercial Chronicle* of January 27, 1894, which shows the dividends *paid* in each of the last seven years, 1887 to 1893, both inclusive, on all steam railroad stocks sold at the Stock Exchanges in New York, Boston, Philadelphia and Baltimore. The statement covers some 156 roads and systems, including the principal lines in this country. Of these some sixty-two paid five successive five per cent dividends from 1887 to 1893, and their bonds would, therefore, have been acceptable as security under this provision. Not a single one of these lines, as far as can be discovered, was seriously affected by the panic of 1893 but one, the Central Railway and Banking Company of Georgia defaulted in the payment of the interest

\* General Statutes, Conn., section 1800.



on its bonds, and this line, the only one, paid no dividends on its stock in either 1892 or 1893. In not a single other case, apparently, was the stock, much less the bonds, of any of these roads seriously affected by such panic. No stronger, more definite proof than this table could be given of the sufficiency of this requirement. As the statement is at the command of any one, it is not necessary to reproduce here the whole or any part of it. It speaks for itself. But an examination of it shows that the condition could properly be extended to cover four per cent dividends. There were seven railroads that failed to pay five per cent, but did pay four per cent, for five successive years, and they are among the strongest in the country. It is the regularity of the dividend that determines the character of the road. As noted, the Connecticut law only accepts a first mortgage or consolidated bond. This would lead to confusion and be unsatisfactory. In these days of consolidations and reorganizations, the difference between first and second mortgages is often more nominal than real. A better requirement in lieu thereof would be that the bonds themselves should be listed securities, selling on the market on a certain basis, say that of five per cent. If there was any peculiar defect or insufficiency in the security, or any fraud or irregularity about the declaration and payment of the dividends, it would show itself in the value of the bonds. As regards the amount of bonds available under this provision, the bond issues of the lines shown by the statement above mentioned to have paid such dividends alone aggregate some one thousand million dollars (as is shown by the report on such lines in the same supplement), of which bonds almost all are selling upon a five per cent basis. These bonds, therefore, together with public securities, should furnish a safe, profitable and sufficient basis for the normal bank circulation. If not, however, this dividend requirement could be made applicable to other securities. Whether or not bonds fulfill the above conditions is a matter of public record, and

no unfortunate discretion need be lodged in the treasury. The banks might well be authorized to issue circulation to the extent of ninety per cent of the market value of the securities deposited, provided that no more than twenty-five per cent of the bonds deposited by any one bank could be issued by one corporation. Provision would, of course, be made for the maintenance of the security in the event of the depreciation of any of the bonds. It would be unwise to require the banks to immediately replace any such bonds as fell below the standard. Such depreciation would ordinarily occur during a panic, and such requirement would cause further break in prices and additional stringency. Nor would it be necessary, since there would be a surplus security of ten per cent, and a fall of fifty per cent in the value of any one bond could not, at the outside, diminish the total security of any one bank more than twelve and a half per cent. It would seem to be fully sufficient if the treasury were authorized to call upon the banks to make good such temporary depreciation by the deposit of additional securities, and only in the event of any bond remaining below a five per cent basis for over six months, or in the case of railroad bonds, if the stock dividends for two successive years fell below five per cent, to call upon the banks to replace them. Any loss that might occur under these conditions would be covered by the annual tax of one per cent.

In order that the normal currency in circulation should correspond approximately to the needs of business, banks should be relieved from the payment of such tax and allowed to withdraw such securities to the extent of the lawful money of the United States they might deposit with the treasurer. To provide for the immediate expansion of the currency in times of financial stringency (a necessary characteristic of a good currency, and one most difficult to obtain), it is essential that at such time the banks be authorized to increase their circulation without additional security. It is

not practicable for the government to increase its issue, since the time and amount thereof would not then be regulated by the financial situation, but by the discretion of some officer. At present the banks can only increase their circulation by providing additional security, the result being a want of elasticity. The currency responds slowly to the demands of business, but neither fully nor quickly, as was shown by the last panic. The banks must be authorized therefore under special conditions to issue a limited amount of money without additional security, and in order that such money should be easily and quickly both issued and withdrawn, it should be in the form of treasury notes, which can be constantly held in the treasury for the purpose. Bank notes can neither be procured nor subsequently withdrawn with sufficient ease.

That the notes should only be issued during times of financial stringency and to an extent necessary to relieve such stringency, and should be withdrawn as soon as the stringency may have passed, it is necessary and sufficient that the issue be only authorized under conditions imposing a continuing loss upon the banks under normal circumstances. This can be accomplished and accomplished only by imposing a practically prohibitive tax thereupon,\* say four per cent per annum. With such tax, remembering that a portion of the issue must be held as a reserve, no bank could afford to increase its circulation except during a panic, and after a panic the banks would hasten to withdraw their notes and be relieved thereof. If the issue be composed of treasury notes they could be issued without delay, and after a panic the banks could immediately return treasury notes to the amount of issue and thus reduce the currency to its normal condition. Under such circumstances the currency would be sufficiently elastic. But would the government be secured against possible loss? Under normal conditions, it has been suggested that the banks be authorized to issue currency to the

\* Plan adopted by Imperial Bank of Germany.



extent of fifty per cent of their capital, surplus and undivided profits, and to the extent of ninety per cent of the market value of the securities deposited. The banks therefore could be authorized to double their circulation without the total issue of any bank exceeding its capital, surplus and undivided profits. But assuming that under the proposed conditions for normal circulation, the banks would issue the maximum amount authorized, this would provide for an expansion of the currency in times of stringency of over five hundred millions of dollars, while an increase of one-half this sum would probably be adequate. It would seem sufficient to authorize the banks to increase their circulation by one-half subject to the tax of four per cent per annum upon such increase. Under these circumstances, the total issue of a bank could in no case exceed seventy-five per cent of its capital, surplus and undivided profits, or 135 per cent of the value of the securities deposited with the treasury.

In order to further secure the government against loss, the increase of issue should rank as general debts against the bank in case of insolvency; if considered desirable, they might even be made a first lien on all the assets thereof. It is to be remembered that this currency will only be outstanding for a limited time. In order to insure this the treasurer should have the right to recall the issue of any bank at any time six months after issue or whenever and to the extent that the capital, surplus and undivided profits may be impaired. This would prevent any possible abuse of this privilege. The treasurer could withhold the issue if he had any reason to doubt the capital, surplus and undivided profits of the bank to be as represented until he assured himself of such fact.

The increased issue would appear to be perfectly safe under these conditions, but if there should be any loss resulting therefrom the tax of four per cent per annum would provide a large fund for the payment thereof. This exceptional issue would seem to be sufficient to relieve any possible

financial stringency, provided the national bank currency amounted, as suggested, to five hundred million dollars. Apparently there would thus be provided a safe currency, supplementary to the treasury notes, silver and gold, already outstanding and amounting to over fifteen hundred millions of dollars, that would give elasticity to the whole, and which would be limited only by the banking capital of the country. There is, however, another form of money, or rather substitute for money, yet to be considered, viz : Bank checks or drafts representing bank credits, which therefore must represent money.

It is estimated that ninety per cent of the business in this country is done by check, and only ten per cent thereof by currency, currency being but the so-called change of the mercantile world. But these figures do not fully represent the relative parts played by these two mediums, since banks are required to maintain a currency reserve varying from fifteen per cent to twenty-five per cent against their deposits and circulation. Without currency credits could not exist ; the latter merely represents the certainty of obtaining the power. Further than this it may be noted that the total individual deposits of all the national banks in this country amount to less than fifteen hundred million,\* while the total amount of money in circulation (including bank reserves) exceeds sixteen hundred million dollars. Business, however, is largely done by the transfers of credit instead of currency, and any expansion or contraction thereof is equivalent to an expansion or contraction of the currency itself. An undue expansion thereof will cause an apparent redundancy of money with its attending evils, such as speculation and general overtrading, and an undue contraction, a stringency with its resulting depression or panic. The history of panics† proves that they usually follow periods of undue speculation. A period of general prosperity leads to a general feeling of

\* Comptroller's Report, 1893, p. 4.

† "A Brief History of Panics in the United States." Juglar.

confidence resulting in an expansion of bank credits which, reacting on business, leads to a season of increased prosperity, high prices and speculation; speculation not only often improper in itself, but to an extent not warranted by the capital of the country. This continues until the failure of many such speculative enterprises shakes financial confidence. The banks immediately respond by the contraction of loans; the greater business done by the banks in proportion to their available assets, the more sudden being this contraction, for their margin of safety is less.

A bank, a default upon ten per cent of whose loans and discounts would mean insolvency, is much more subject to financial disturbances than one which can afford to lose twenty-five per cent thereof.

This contraction in loans leads at once to a decline in deposits, and general stoppage of business and fall in prices, and a period of liquidation, for which purpose and the further purpose of supplying the decrease in bank credits, an increase of the currency in circulation becomes necessary and it is thereupon withdrawn from the banks by the depositors. To supply this demand, the local banks are compelled to call upon their reserve agents, thus causing a currency stringency in financial centres, with its attending evils. With restored confidence, however, the demand for currency ceases, which then accumulates in the banks, forming the basis for a rebuilding of credits.

This last panic followed as usual after a season of credit and speculation, being precipitated by the refusal of foreigners to longer hold our securities owing to a lack of confidence in our general financial policy. It was checked by the restored confidence resulting from the repeal of the Silver Bill, and the action of the banks in uniting to maintain credit.

We are now in the recuperative stage, which should be rapid for the reason that the precedent speculation did not reach its maximum. From this review we see the part played by the banks in these crises. By an undue expansion



of credits they favor speculation and then increase the reaction by the sudden contraction thereof below the normal, in order to maintain their reserve and security; although they do what they can to obviate a panic by combining for this purpose through their clearing houses.

Evidently, therefore, a good banking system should check as far as possible this tendency to unduly inflate credits during times of general prosperity, should protect the banks against the danger resulting from financial failures and the impairment of confidence, and should as far as possible furnish them with the means of at once supplying the increased demand for money, and at the same time of maintaining and even increasing their reserves during these periods of stringency and panic. It is not practicable by law to prevent the undue expansion of credits, since no matter what limitation is imposed thereon by reserve or other requirements, credits can be indefinitely expanded by a corresponding expansion of banking capital. This method of expansion, however, is not so much to be feared. Not only because an increase of banking capital represents an increase of wealth which would probably warrant the increase of credit, but, in addition, so long as there is a reasonable ratio existing between banking capital and banking credits, a depression in business could not so seriously affect the banks, and would therefore expend itself with less serious results. What can be and to some extent should be regulated is this very matter of ratio between banking capital and banking credits. And by banking capital is not meant all the assets of the bank, including capital, surplus and undivided profits, no matter how invested, but only that portion thereof available for banking purposes, that is, in the form of currency. This evidently amounts to the capital, surplus, undivided profits and circulation, less the amount thereof invested. It is to be noted, however, that by the banking system herein suggested any securities held by a bank can profitably be converted into circulation, and thus become a part of its banking capital.

At present the only general regulation of banking credits is the requirement of a reserve fund of from fifteen to twenty-five per cent of the combined deposits and circulation; an admirable provision. But it evidently protects credits, rather than limits them.

As a rule, the currency held by a bank does not exceed its banking capital, and in such cases the desired ratio is maintained by this provision; but in times of general prosperity, banks of large business by loaning their depositors' money, which is again deposited, may have both deposits and discounts to an amount ten times their banking capital and yet maintain their legal reserve. In this latter case, the reserve not belonging to the bank, their business is not only largely done on other people's money, but their credits are largely based thereon. This reserve requirement, therefore, although good in itself, admits of an undue expansion of both deposits and discounts, with the attending evils. The undue expansion of credits by fostering speculation, ultimately brings on a crisis, which the banks, owing to the disproportion between their banking capital and discounts and to the fact that their legal reserve is largely made up of depositors' money, are not in a condition to sustain. That this condition of affairs existed prior to the last panic, is shown by the Comptroller's Report of 1892, Volume II.

It was and is especially general in the banks of the reserve cities and naturally, since these banks carry large sums belonging to other institutions, which count as parts of their own reserves. It is not advisable to particularize, but there were many banks in both New York and Chicago where both the liabilities and discounts exceeded ten times the banking capital. That this is unfortunate is plain. In times of stringency, with the consequent demands for money, local banks at once draw on their reserve agents for funds, thus diminishing the latter's reserve and causing a currency stringency in financial centres. This was the situation in New York and some other cities during the recent panic, and

necessitated the issuance of clearing house certificates. This action of the banks is to be commended, and yet the necessity for it should be avoided if possible. It is really but the lending of the credit of the stronger to sustain the weaker, which action under certain conceivable circumstances might endanger all the consolidated banks. It is to be noted that this measure, while strengthening the weaker banks, does not relieve the currency stringency. These certificates can neither be used as money nor count as part of the reserve. As a coincidence, it might be mentioned that the certificates\* issued by the New York clearing house during this past panic approximately equaled that portion of the reserve of the New York banks which was made up of depositors' money; about thirty-five millions of dollars.† It would seem proper, therefore, to limit the business that a bank should do upon a certain capital. A bank's reserve should consist of its own funds. It is suggestive that this end can be attained by limiting discounts; the effect on deposits being indirect and yet certain. The reason is evident. So long as a bank does not reloan its deposits it is acting merely as a depository of funds and credits are not expanded. It is only when the deposits are loaned and again deposited that expansion results. What must be limited therefore are discounts, the deposits will then limit themselves. The proper limitation for a given reserve is a matter of calculation. It is evident that a bank's reserve (meaning cash on hand) loans and discounts taken together always equal the aggregate amount of its banking capital and deposits, or, as it may be expressed:

1. Reserve + Loans = Deposits + Banking Capital. Assuming the reserve required by law to be twenty-five per cent, let us suppose that the actual cash in possession of the bank has been reduced to exactly this amount and then inquire what will be the amount of its loans and discounts when such cash reserve equals and therefore has absorbed

\* Comptroller's Report, 1893, p. 16.

† Comptroller's Report, 1892, p. 46.



the bank's entire banking capital. By assumption we have,

2. Reserve = one-fourth of Deposits, or Deposits = four times Reserve and that

3. The Reserve = Banking Capital, but substituting four times Reserve which by (2) equals the Deposits in the equation (1), we have

4. Reserve + Loans = four times Reserve + Banking Capital, but again substituting Banking Capital which by (3) equals the Reserve, we have

5. Banking Capital + Loans = four times Banking Capital + Banking Capital, or the Loans equal four times the Banking Capital. So long then as the Loans and Discounts do not exceed four times the Banking Capital, the bank will make all such loans and discounts out of *free* money, *i. e.*, after loaning such money, the bank will still hold in cash a sufficient amount of its capital to secure all deposits which it may have used in loans; but after such point has been reached, all further loans will encroach upon that portion of its banking capital which is necessary to secure deposits which it has already so used.

Therefore, in order to regulate the credits and deposits as suggested, it is necessary and sufficient to limit the discounts to four times the banking capital. It is not intended, however, to fix arbitrarily upon this special limitation. It may be that a reserve of fifteen per cent of the bank's own funds is sufficient, in which case the limitation would be modified to correspond thereto. What is insisted upon, is the desirability of establishing some such limitation. But we will inquire for a moment how this special limitation will affect the present banking situation. The Comptroller's Report shows that outside of the central reserve cities, the banking situation will not be seriously affected, since the loans of but few banks exceed four times their banking capital. But in New York and Chicago quite a number of banks would be compelled either to contract their discounts or to increase

their banking capital. In New York, but New York only, the total discounts prior to the last panic, exceeded four times the total banking capital, the loans being \$344,000,000, the banking capital \$61,250,000.\* But October 3, 1893, the loans had been decreased to \$281,000,000, and the banking capital increased to \$67,000,000, while the capital invested in securities was over \$23,000,000.†

Under the provisions regarding bank circulation, herein suggested, such assets to the extent desired could easily and would probably be converted into currency, thus increasing the banking capital to the required extent. If this provision should lead to more conservative discounts in New York and Chicago, possibly an advantage would be gained. The only banks that will have any difficulty in converting assets into currency, and which therefore may possibly be compelled to contract their loans, will be those which have invested largely in office buildings. But no banker will seriously maintain that the banking business should be conducted on such basis. Such investments are now contrary to the spirit of the law.

But, as already stated, outside of the cities above named, very few of the banks have discounts exceeding four times their banking capital. The adjustment to this law therefor, a reasonable time being allowed, would certainly take place without any serious financial disturbance.

It is not supposed that the plan outlined would entirely do away with *all* undue expansion or contraction of credits or currency, with speculation, depression or panics. So long as business is done by men it is liable to such disturbances, but certainly these provisions should diminish both the frequency and intensity of panics, and should enable the banks better to withstand and ultimately to relieve them. The provision limiting discounts would regulate credits and would strengthen the banks in times of stringency, while

\* Comptroller's Report, 1892, p. 46.

† Comptroller's Report, 1893, p. 115.

coincidentally, by calling upon the government for treasury notes, they would be able to immediately increase their banking capital and reserve; and such increase being in the form of currency would be available to relieve any existing stringency. As the additional currency thus available would probably aggregate one-fourth the entire banking capital of the country, thus amounting to two hundred and fifty millions of dollars, its influence should be effective.

In the brief space of this paper there has been no attempt to exhaust the subject of currency and banking, but only to outline a development of the present system which would supply some of its deficiencies and remedy some of its defects. There has been no attempt to go into the details of the system. There has been only space for the treatment of its main features. The plan outlined herein is necessarily subject to criticism and modification, but it is thought that its general features will recommend themselves and prove beneficial if adopted.

#### SUPPLEMENTARY NOTE UPON THE "BALTIMORE PLAN."

Since the submission of the foregoing paper to the Academy the Bankers' Association has approved and promulgated the "Baltimore plan for the creation of a safe and elastic currency." This plan provides:

1. National banks shall be authorized to issue notes to the amount of fifty per cent of their unimpaired capital, subject merely to an annual tax of one-half of one per cent.

2. To issue notes to the additional amount of twenty-five per cent of such capital, subject to an annual tax so severe as to prevent such issue except under special circumstances and to cause their withdrawal upon the return to normal conditions.

3. All such notes to be guaranteed by the United States, and in the event of the insolvency of the issuing bank to be redeemable at the treasury.



4. No security of any kind to be deposited by the banks to protect such issue excepting a guarantee fund of five per cent thereof.

The general similarity between these suggestions and those made in the foregoing paper is noteworthy. The suggestions are along the same line, and have the same end in view. Unimpaired capital, instead of capital, surplus and undivided profit, is made the basis of circulation, thus without apparent necessity limiting its effectiveness, but the only divergence of any importance is the total abolition recommended by the Bankers' Association, of all provisions requiring banks to deposit securities to secure their *normal* circulation, and the substitution in lieu thereof of a small guarantee fund. This special suggestion is urged by the bankers on the score of necessity. "The first essential," say they, "of a good currency is elasticity; elasticity is impossible if security be required; therefore, no security should be required." This is perfectly true, but only with reference to that issue which is to furnish this elasticity. The power of expansion to meet a special demand is indeed destroyed if security is required, as a condition precedent to such expansion, but the fact that security has been previously required and previously deposited to secure the normal circulation is of no importance whatever. The Baltimore plan provides for a normal circulation of fifty per cent of the banking capital without security, perfectly safe, probably, as it is guaranteed by the government, and which will evidently contract and expand with the banking capital of the country, but yet as evidently without any other or further elasticity whatever. By entirely repealing the security requirement, they would indeed deprive this normal issue of whatever special elasticity it might otherwise possess. It would thereby be made so profitable to the banks (the tax of one-half of one per cent being inconsiderable) that the maximum amount authorized would plainly be always outstanding. This fact is recognized in the publication of the Baltimore Clearing House, regarding

the plan. The automatic expansion and contraction of this issue with the banking capital of the country is, indeed, a most important and valuable feature, in that our present currency is entirely lacking in the capacity of expansion to meet the constantly increasing financial needs, but this quality would evidently be characteristic of any such issue authorized under conditions sufficiently profitable to the issuing banks. In fact, if the issue were less profitable, if the conditions imposed were such as to leave the banks, so long as there was a demand for money, to maintain the maximum authorized circulation, but in case of a plethora to reduce their issue, a distinct gain would be made. In this way a security requirement or other burden might well add some little elasticity to this normal circulation. But in truth the currency provided for by the Baltimore plan, like that suggested in the original paper, depends for its special elasticity upon the emergency issue, and such elasticity therefore is in nowise affected by the requirement *vel non* of security for the normal circulation.

As stated, this normal issue must be made profitable to the banks, in order that it should automatically expand with the banking capital, and to this end securities other than government bonds must be accepted, but it does not follow that no security whatever should be required. In the absence of such controlling necessity, as the advocates of the Baltimore plan assume to exist, it would seem for many reasons inexpedient, if not dangerous, to confer upon the banks this unrestricted power to issue notes. The suggestion that the plan has been successfully tried in Canada is misleading. Financially, Canada and the United States are as far apart as the poles, but the controlling fact is that there are in Canada but thirty-nine banks of issue with an average capital exceeding fifteen hundred thousand dollars,\* while in this country there are 3781 such banks, with an average capital of less than one hundred and eighty thousand

\* Comptroller's Report, 1893, p. 251.

dollars.\* We would indeed be reckless to confer this unusual power upon these 3781 banks simply because the thirty-nine banks of Canada had exercised it safely for several years. It is also urged that the experience of the past thirty years proves that the guarantee fund of five per cent, together with a prior lien upon the bank's assets, would be more than sufficient to protect the government against any loss on account of its guarantee. And this may be so, although there is no certainty that the conditions being changed, the experience of the past will repeat itself in the future; but even if so, the priority of the government would be at the expense of the depositors. But however this may be, the objection to the proposed plan goes deeper. It is not simply that the currency would not be entirely safe and acceptable, not that the government would not be fully protected against any loss; the danger to be feared is to the banks themselves, to the national banking system, and, through it, to the public. In formulating this plan the bankers had but one purpose in mind, to provide for an issue by their banks of a safe and elastic currency to meet the ever-increasing needs of business, but it naturally did not occur to them that they might thereby endanger the safety of their own banks, and therefore the financial world, that it might be necessary to provide against the improper exercise by the banks of the powers conferred upon them. It naturally did not occur to the Baltimore bankers, who are justly famed for their conservative and proper methods, that by making banking under the national laws too profitable, they might be the innocent cause of an error of reckless banking, bringing another panic in its train with serious resulting injury to the entire national banking and financial system. It is this difference in the point of view which has caused the divergence between the Baltimore plan and the one outlined in the foregoing paper. The two plans provide for the same currency, a normal circulation of fifty per cent, an emergency issue of twenty-five

\* *Ibid.*, p. 114.



per cent of the banking capital of the country, guaranteed by the government. But here the Baltimore plan stops, leaving to the banks entire freedom in the issuance of such circulation, while, from the public point of view, it would seem desirable to go a step further and provide against the reckless banking and overtrading that might result from the unrestricted exercise of such powers. Our banking system has worked admirably, and has reflected much honor both upon its originators and administrators. Its profits being slow and the result of capable, honest work, it has offered but little temptation to the speculator, and its management has been generally of a most conservative character, although in certain cases, as shown in the original paper, misled by an apparent abundance of money not their own, the banks have permitted an unwarranted expansion of credits with unfortunate results. The advocates of the Baltimore plan would be the last to consciously risk this conservatism, and yet such might be its effect. Its adoption would not only cause an immediate expansion of the currency, but would practically add fifty per cent to the original capital of every national bank, thus increasing both their capacity and temptation to expand credits. It would also lead, and herein lies the danger, to the organization of many banks, possibly thousands, by speculators solely for the purpose of obtaining the benefit of this authorized circulation, and these new banks, thus organized not for legitimate, but for speculative purposes, would inject a new and unknown element into our banking system, which might well cause an error of expansion and speculation with the resulting reaction and panic.

It would seem, therefore, the part of wisdom, even if not necessary to protect the government and the note holder, then to protect the banks and the public, to impose such conditions upon this normal issue as would render it less temptingly profitable. The logical condition (as it would at the same time avoid other objections that might be raised)

would seem to be the continued requirement of a deposit of securities, not government bonds but such as would insure the banks a reasonable profit upon the issue. In the original paper an effort has been made to select such securities, but if it is objected that subject to the deposit therein suggested the issue will not be sufficiently profitable to fulfill its purpose, then others could certainly be found that would be satisfactory. If the government and note holders need no further protection than that provided for in the Baltimore plan, the most liberal security requirement would serve to protect the banks and the public.

The latter purpose, indeed, might be attained by simply increasing the tax upon the normal issue from one-half of one per cent to such an amount, say two per cent per annum, as would leave but a reasonable margin of profit to the issuing banks; especially if concurrently a bank's discounts were limited to some definite multiple of its banking capital. Such modifications of the Baltimore plan, it is suggested, are well worthy of serious consideration, especially as the suggested increase of tax would be of benefit to the currency in giving it a certain elasticity. Certainly, the plan cannot be adopted as proposed, if for no other reason, because by rendering banking too profitable, it might cause an era of bad banking, which would not only do serious injury to the country, but might affect the integrity of the national banking system itself.

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## HOW TO SAVE BIMETALLISM.

French agriculture has suffered severely in the monetary crisis. In Lyons as well as in London, farmers and land-owners have discussed the effect of the demonetization of silver on the low prices of agricultural products. Farmers are bimetallists, in spite of the impossibility of any sound principle for maintaining a fixed ratio between silver and gold. For thirty years a solution has been sought for in vain. Everybody admits that no standard of value can be found between wheat and corn, between cotton and wool, between lead and iron,—their prices rise and fall, and no one thinks that any method can be hit upon to steady them in relation to one another.

Why should there be any obligatory equivalent between gold and silver? Men say that money is a measure of value; but the characteristic of scientific standards or measures is that they never change. Different coins however fluctuate just like other commercial articles. In Roman times copper coinage fluctuated. In the fifteenth and sixteenth centuries values and wages were affected by the large quantities of gold and silver sent to Europe from America. Later the discovery of gold in California produced such changes of value that Cobden and Michel Chevalier and other leading economists seriously proposed to demonetize gold and to make silver the sole legal tender. The Australian mines brought on another monetary crisis, and the reports of great gold finds in Africa and Borneo may be followed, if they are realized, by great changes in values.

The excessive production of silver in the United States and Mexico and elsewhere has been followed by such a crisis that even in British India the free coinage of silver has been suspended. These alternate movements of rise and fall are simply the inevitable result of causes that are perfectly well



understood in reference to all other products, and are governed by the natural law of supply and demand. Still it is claimed that a fixed obligatory relation or proportion between the two metals could be legally established. Can law determine the ratio between two unequal variable quantities?

Logic and experience have alike condemned any such monetary system. Calonne in the reign of Louis XVI. proposed, and Napoleon in 1803 decreed, an arbitrary proportion of 15.5 silver for one of gold, and this lasted until the great gold finds upset that relation.

Since then silver has lost half its real value, but preserved the whole of its nominal value. Five francs in silver are really worth only 2.50 francs in gold, yet the law still requires that five francs in gold should be given in exchange. It is really a counterfeit money that is thus put and kept in circulation, because we have a false and unsound theory that by law a fictitious value can be given to silver or to gold, although it would be impossible by law to attempt to fix the price of any other product. Money was not made simply to exchange gold for silver, but to serve as a common measure of value in all purchases and sales, in payment of wages, etc., and its use is primarily for the general convenience of the world. In business there are but two factors: the article to be bought or sold, and the money which measures its value and pays for it. These two items follow the market. Why introduce a third factor, money of changeable value, and try to put on it a fixed value? This is confusing a natural and free exchange with an artificial and forced exchange. 'Twenty dollars' worth of wheat is its value in gold, and not in silver at half its legal value, and the price of wheat depends on the market, on the supply and demand; while to have gold coin of one value and silver coin of another, is to introduce a third element of a very dangerous kind.

Every attempt to regulate the price of goods has failed in the end. To try to fix a legal ratio between gold and silver is only another effort to do what can only prove disastrous.

No solid monetary system can be based on a fixed ratio between coins varying in different proportions. If that fixed ratio be given up, then gold and silver will find their own level, and the purchase and sale of goods of all kinds may be made payable in gold or silver at the will of the contracting parties, and gold and silver will be exchanged for one another or for goods at their real market value. In France there will be a great outcry at such a proposal, yet France feels the effect of the present condition of affairs very sharply indeed. The legal ratio between gold and silver only masks the real danger which it creates, and the suspension of silver coinage is practically equivalent to making gold the standard. This preventive measure, however, was adopted so late that many hundred millions of gold were previously taken by Germany from France, in exchange for depreciated thalers, which the French mint kindly recoined into French silver. It was selling our gold at half price. Renew the coinage of silver, and French gold will again go abroad, to be replaced by silver worth only half its nominal value. The choice is between abolishing free coinage of silver, and regular bimetallism, or, to give up all legal ratio between gold and silver which is the first condition of honest bimetallism.

Some bimetallists reverse the question. Instead of stopping the monetary fiction that now exists in France, they would extend it throughout the whole world, on the ground that as soon as all the civilized people of the globe unanimously agree to accept inferior coin as good money, then there will be no more bad money anywhere, and no ruinous changes, no dangerous crises. The law guarantees in France and in the Latin Union, the full nominal value of depreciated money—make this universal and you have the evil remedied. There is little probability that thirty sovereign nations will ever come to any such agreement. In England, it is thought there is already a party favoring bimetallism. No doubt England would support a measure that brings to

London the gold driven out of other countries. Bimetalism may well be welcomed in England as an article of exportation. As to applying it at home, there is no likelihood, for hereditary habit makes gold the only standard in England.

Germany has already shown its opinion by demonetizing silver. The difficulties resulting from the Latin Union are not likely to overcome the hesitation of governments little inclined to give up their financial independence. Suppose there was such a universal agreement, would it put up the price of silver? Free coinage forced on the entire world, would only inundate it with silver coin, which would soon fall until the money market would find it only "metallic assignat." Could any agreement compel people to overlook the relative value of the two sorts of metallic money? Everybody would try to accumulate a stock of the more precious coin, just as happens in countries with legal tender or other arbitrary paper money. Could any law prevent individuals from stipulating for payment in silver or gold, according to their respective intrinsic values, just as is done in bimetallic countries, in spite of the legal parity of the two kinds of money? If one of the contracting nations chose to resume its monetary independence, would the others try to constrain it by military force to renew its allegiance? Some people try to liken silver to bank notes, payable in gold—if the promise is loyally kept, then there is nothing more to be said. Silver, even if depreciated one-half, would still have a certain intrinsic value—a bank note has none, and depends for its currency on the credit of the corporation issuing it. Exchange at par for gold is more natural and legitimate with silver than with paper.

To discuss the place of silver is opening an endless field. A bank bill is a promise to pay gold, issued and signed by the payer, but silver with free coinage is a promise to pay in gold to be issued by the payee. A bank of issue regulates its notes by the ability to pay them—that gone, its



credit is lost, its notes worthless. A free and unlimited coinage of silver can only be profitable as it falls in value, thus making the gain depend on the amount of the depreciation of silver. Wherever free coinage and a forced legal ratio go hand in hand, the inferior coin will steadily fall in value, and the good coin will just as steadily be withdrawn from circulation to be hoarded. Abolish all attempts to fix a legal ratio, and every coin will find its own level. Gold will not be subject to the risks of change in the nominal par. Silver will be limited in coinage by the voluntary act of the producers, and will have more real value than any law can give it.

The monetary question in the United States shows the inextricable difficulties and dangers of bimetallism. Naturally, in a silver producing country like the United States, general interests are subordinated to those of powerful individuals and corporations directly interested on one side of the question. There is a real political party composed of both Democrats and Republicans, united by their common interest in raising the price of silver. The silver men, strictly speaking, are the main group—led by the owners and shareholders in mines, and supported by capitalists and speculators who own or control silver mines in the United States, in Mexico, Bolivia, Chile, and other silver producing countries of the new world. The game is managed by politicians, who know how to throw powder in the eyes of the voters. It is silver powder that is used to influence the farmers of the West, always great borrowers and fanatical partisans of a system that offers the precious advantage of repaying in silver at its nominal value the amounts loaned them in gold at its real value, practically at fifty per cent of the actual debt. The old proverb is that the man who pays his debts gets rich by doing so, but producers are easily led to believe that the multiplication of silver coinage will raise the price of their stock and crops and increase their profit. The bulk of the people confound the increase of the

stock of metal coin with a real increase of wealth, and "inflation" is a word that works like a charm, apparently making an actual addition to the fortune of every man alike in North and South America. A syndicate of ignorance, error and self-interest tries to gain the triumph for silver or soft money, only to enable the managers to exchange it for gold at a profit of fifty per cent.

The different efforts of the leaders are too recent to need any repetition. The so-called Sherman Law compelled the Federal government to buy periodically a large stock of silver, and to issue treasury notes, redeemable in gold or silver, and then to coin the silver into pieces of a nominal value about double their intrinsic value, but always exchangeable for gold at par. Then there was an issue of silver certificates, payable only in silver. This complicated mechanism, involving gold and silver, paper and good and depreciated money, was all intended to provide for the silver men a permanent market for their productions, to prepare the way for exclusive silver coinage, and to enable them to realize a profit by exchanging fifty cents' worth of silver for a dollar in gold. It was far beyond any dream of the alchemists of the Middle Ages in their search for the transmutation of metals. It was done openly without expense or risk, by a sort of official alchemy, with the help of legal tender paper as a solvent. The evil results were soon apparent. American gold steadily went abroad in increasing amounts, and only the power of the Custom House\* to collect duties on importations in gold prevented the almost total disappearance of gold from circulation in the very

\* [Mr. Horace White, of New York, in commenting on this statement made by the Duc de Noailles in a French article on the same subject, published in the *Revue des Deux Mondes* for September 1, 1894, calls attention to the slight error in our French critic's statement. Customs duties in the United States were payable in gold, meaning gold exclusively, until the resumption of specie payments in 1879, at which time greenbacks were made receivable by *Treasury Order*. Since the Act of 1890, silver dollars, silver certificates and treasury notes are received for customs. In June, 1889, 94½ per cent of customs duties were paid in gold; in July, 1894, none was paid in gold; and in August, 1894, only one-half of one per cent.]

country that produces it so largely. Happily, President Cleveland put a stop to all these manœuvres. Not only did he secure the repeal of the Sherman Law, but he also vetoed the Seignorage bill, which threatened to injure American finances. He is heartily supported by all who demand a sound currency; but the silver men still protest, and their leader in Congress, Mr. Bland, insists on the re-establishment of free coinage.

As long as the temptation exists of making a great profit by a popular and apparently inoffensive law, there will be found politicians to advocate it, and fools or worse to vote for them. There always is the veto; but will the next President use it? In Europe there is no such personal interest, and there is no such constitutional power to escape threatened mischief by unsound legislation. Why, then, should there be such a blind attachment to a system that must in the end sacrifice good money for bad? A few speculators and middle men may profit by it, but their interest is not the only thing to be considered. Some countries, with depreciated currency and bad financial conditions, may benefit, and some economists may argue that they are entitled to the advantage of such an international comity, but it could not last, nor is it desirable that it should.

In spite of all the growing facilities for a rapid exchange of commodities between different distant countries, banks and large corporations feel the necessity of maintaining large reserves in coin, to sustain their credit on a solid foundation. That precaution would be illusory if the money thus put away was to lose its full value. Europe is still the banker of the whole world. Its credit is based on the great capital accumulated in the last seventy or eighty years. A thoroughly sound currency and a coinage of absolute and unchangeable value alone can guarantee the material superiority of its resources. Europe has risks that are not known in the United States, and would pay much more dearly for the error of an imprudent system of bimetallism. If war



were to break out in Europe, requiring the banks and bankers and the national treasuries to throw their resources and reserves broadcast throughout the markets of the world, a great shock would be the result if the stock of silver was found to be worth only half its nominal value. Yet the every-day exchange of silver and gold on a false ratio might very well bring about just such a result. A wise economist said that the real value of national currency depends on what it is worth abroad, not on what it passes for at home.

Admitting that bimetallism is to-day in a bad way, does it follow that the two metals cannot be safely used? The farming interest in France certainly believes in silver coinage. Logically, there is no good argument for it, and the legal fiction by which it is sought to keep silver in use, as well as gold, has only done harm to both metals; but why not try a parallel and independent bimetallism? It would bring back a real, sound, truthful value to both gold and silver. Each would have its own value, based on the weight of the coins either in gold or in silver, without any proportion or ratio. Put aside all idea or notion of comparative value, and let it be one absolute market value of so much weight of metal. The value of a coin as such is a mere guess, for it changes according to the rise or fall of the market; but a fixed weight can always be made permanent whether it be gold or silver.

The parallel existence of two kinds of independent metal coins would enable business men to choose one or the other according to the varied needs of international exchanges. Gold for England or Germany, silver for Mexico or China, just as the buyer and seller choose to arrange. Every country could give and receive the money in use within its borders. The weight of the metal exchanged would be the true and universal monetary unit, and civilized States could agree upon a unit of weight, just as at Chicago they adopted the same electric units.

It may be said that the suppression of the existing ratio would reduce by one-half the value of the metallic stock of silver, and thus inflict an enormous loss on the nations now encumbered by it. But silver is not entitled to the privilege of anything more than its real value. At all events, the loss has already been made, and it is not increased by admitting the fact, any more than it is lessened by refusing to recognize it. The thousand millions of silver now held by various nations may be quoted and reported at their nominal value in Treasury Reports or in bank balances ; but they are only worth five hundred millions in the world's markets, and it would be just as well to say so frankly and fairly. In domestic dealings within the limits of the countries with forced legal ratios, there would be some practical difficulties in the process of transition from the old to the new system. But in France to-day the five-franc silver piece is only a conventional coin, and its real value has little to do with its convenience in use. Even the partisans of real bimetallism are ready to agree to necessary sacrifices and to change the present legal ratio—that means a loss large or small ; Why not put an end to all ratio, and get at the real truth of the case ?

The final solution of the problem must come from America, which supplies one-half at least of all the silver produced in the world. The principal silver interest in the two American continents, North and South, is centred in forty persons or groups, largely located in the United States. These "Silver Kings," few in number, are the masters of the market. It depends on them whether silver shall be restored to its lost value, and the fate of silver is in their hands. Their true plan is to work honestly for a sound financial reform. It is useless for them to try by secret schemes to profit by the enormous difference between the real and the nominal value of silver. There must be an end to their efforts to repeal the law which forbids the coinage of silver for individuals ; to all attempts to re-establish the circulation

of depreciated money, at the risk of driving gold from the country and ruining the national credit.

A new campaign should be inaugurated, with the platform of honest free silver, and free and honest bimetallism—silver at its real value, and no ratio between it and gold. When the legal authority ratifies such a plan, free coinage will have no danger. Instead of being suspected if it is circulated, or useless if it is stored up, the silver dollar will be an honest dollar, and will take its proper place in the monetary world. The American silver men will, of course, laugh at the suggestion that they should thus sacrifice their present profit for the future benefit of real independent bimetallism. The syndicate of silver men relies on its power to carry with it the opinion and the votes of the masses, and thus to defy the enlightened public opinion of the minority. It hopes to revenge itself for the blow inflicted by Cleveland's veto. It may get from Congress such legislation as will for a time give silver a priority even over gold in its coining. But nothing can prevent the final victory of truth and justice in the end. It is a noble maxim of American liberty that no man should go to the extreme of his right. The real interest of the bimetallists of the United States lies in not carrying out to the bitter end all their faults.

No human power could prevent the fall of silver. Clever management would lead the silver men to submit to the inevitable with a good grace and get out of it all they can. The fortunes gained in bonanza mines will not be seriously affected, and the independence of the two metals will mark a new departure which will open to both an honorable career and restore them to their normal conditions. The coined silver will be simple merchandise, just as gold is for many purposes, and the owners of silver mines will make their profit by selling or buying silver at the current market rates. The price will naturally advance, for the profit in exchanging silver for gold will depend on preventing a superabundant supply, and the interest of the producer, in conformity with



the law of supply and demand, will regulate the production according to the market. If there is really need for double the present circulating silver coin, so as to make its nominal value equal to its real value, then silver mine owners will find a market for just double the stock, and the increase in quantity will compensate at least in part for the fall in price. If there is an excess of silver coinage in circulation, why should the mine owners be helped by forced purchases by the national treasury of an article which it can not use or sell?

Suppose the silver syndicate sacrifices half to save the other half of its stock of silver,—would that not be better than a final crisis which would irrevocably end in demone-tizing silver and establishing a gold standard all the world over? The silver men of the United States can either bring on the bankruptcy or the real re-establishment of silver as a marketable commodity.

Now is the time to raise silver to its proper place, by using it in a simplified method of international exchanges. Make silver a medium for that and it will regain much of its lost credit. To begin, why should not Americans make a new silver coin of which the weight should fix its value? There is no need of a legal ratio or of any change in the current coins, but there would thus be a new coin that could readily be used to facilitate exchange with other countries. Such a new coin should retain the good old name of dollar, but to avoid confusion with old issues, it should be called the "sterling dollar," for it would be used in England and especially in India. The weight should be stamped in grammes, as a recognition of the scientific and practical value of the French metrical system. The face of the coin might well have clasped hands, with the title "Universal Sterling Dollar" and the weight legibly engraved. The reverse could give its equivalent in the weight of different countries where it is sure to be used, for India, Japan, China, Africa, South America would all welcome the "Universal Dollar," in place

of the silver bars used now in the far East,—which have now, too, no other value than their weight. Such coin would soon drive out of circulation pieces with only half their nominal value,—and doubtful piastres, rastadouros, trade dollars and other such mischief makers in international exchanges. As far back as 1881 a German economist, Eggers, proposed a “Trade Dollar,” which should meet all the requirements; but he wanted it to be made legal. Why not leave it to be first tried as a commercial venture, and not enter on the doubtful field of financial legislation? Why try to reduce it to the terms of a law? The American silver men could soon get the world to accept such a coin.

The real difficulty of the situation seems to rest on these points: the absolute impossibility of securing the concurrence of the producers of silver in the United States in any system of independent bimetallism; the extension of any system of bimetallism depends next on the participation of England, which seems, like Germany, absolutely opposed to its recognition in any form. On the other hand, the present condition is full of peril. Governments may well hesitate to face an immediate money crisis in order to escape future risks; but when the time comes to act, it will never do to build up again a faulty system on a legal lie. The choice is between the two parties, those who recognize the possibility and advantage of some form of independent parallel bimetallism, and believe in honest silver in the money of the world, or those who are loyal only to gold monometallism.

DUC DE NOAILLES.

*Paris.*

[This statement of the views of the Duc de Noailles was prepared for the Academy, at his request, by Mr. J. G. Rosengarten.]

## BRIEFER COMMUNICATIONS.

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### ECONOMIC AND UNECONOMIC ANTI-TRUST LEGISLATION.

Mr. W. W. Cook, in his little work on "Trusts" (p. 4), defines a trust as "a combination of many competing concerns under one management, which thereby reduces the cost, regulates the amount of production, and increases the price for which the article is sold." As Mr. Cook is severe in his denunciation of trusts, we may fairly infer that this definition is not unduly favorable. Now certainly it is not an evil to "reduce the cost" of producing an article. Nor, in view of the evils of "over-production," is it necessarily an evil to "regulate the amount of production." The evil lies, then, in "increasing the price for which the article is sold." Thus it appears that, if the objects in creating a trust are attained, *some* good will result, as well as some harm. Is there no way of securing this good while avoiding the harm? We think there is.

Prior to the year 1889, there had been little or no legislation directed against trusts. We do indeed find what is perhaps the earliest distinctively "anti-trust" provision (either constitutional or statutory) established in this country, namely, the following provision of the Georgia Constitution, adopted in 1877: "The General Assembly shall have no power to authorize any corporation . . . to make any contract or agreement whatever with any (other) corporation, which may have the effect or be intended to have the effect to defeat or lessen competition in their respective businesses, or to encourage monopoly: and all such contracts and agreements shall be illegal and void." This may, however, be regarded as a "sporadic" instance, and was directly aimed at railroad combinations, rather than at what are now known as trusts.

But the investigations carried on in 1888 by committees appointed by the United States House of Representatives, by the New York Senate, and by the Canadian House of Commons, resulted in a widely pervading view that stringent legislation on the subject was necessary; hence, in 1889, no fewer than *thirteen* States took action. In Kansas, Maine, Michigan, Missouri, Nebraska, North Carolina, Tennessee and Texas "anti-trust" statutes were enacted; in the new States of Idaho, Montana, North Dakota, Washington and Wyoming, constitutional provisions to the same effect were adopted. In 1890 *five* more States fell



into line by also enacting anti-trust statutes, viz: Iowa, Kentucky, Louisiana, Mississippi and South Dakota, besides the territory of Oklahoma. (In Kentucky, in 1891, and in Mississippi, in 1890, constitutional provisions to the same effect were adopted.) In 1890, too, a statute was enacted in North Dakota supplemental to the constitutional provision above referred to. In 1891 *three* more States, viz: Alabama, Illinois and Minnesota, enacted such statutes, besides the territory of New Mexico; and in 1893, *two* more States, viz: New York and Wisconsin. In 1893 too an anti-trust statute was enacted in California confined in its application to *live stock*; also one in Nebraska confined to *coal* and *lumber*. In some instances these statutes as originally enacted, have been amended, or re-enacted, to cure supposed or real defects: thus, in Missouri and Tennessee in 1891, in Louisiana in 1892, and in Illinois, Minnesota and South Dakota in 1893. Thus, we have at present\* "anti-trust" provisions, either constitutional or statutory, in one-half the States of the Union. Besides these are the Act of Congress of July 2, 1890, directed to the same end, and the similar provision in the Tariff Act of August, 1894. All these statutes have in view the *prevention* of the existence of trusts.

But it is almost too obvious for argument, that production on a larger scale results in a smaller cost of production. Every one familiar with "shopping" in our large cities knows that the large retail stores, notwithstanding their costly establishments and service, are able to permanently undersell the smaller establishments. And it is well known that the creation of the combination known as the Standard Oil Trust has resulted in a large decrease in the price of oil. Professor Gunton has very clearly shown† how it came about that reduction in cost of production resulting from the establishment of that Trust, caused the price of refined oil to fall in eight years from over twenty-four cents to less than nine cents, not to speak of a great improvement in the quality of the oil.

In view of these facts, and many others that might be mentioned, no one will, we think, dispute that, *other things being equal*, the present tendency toward the concentration of capital is a beneficial one. In this view, the present course of legislation having in view the *prevention* of such concentration is indefensible as producing a public injury, in forcing the necessities of life to be wastefully produced by a relatively large number of independent concerns at a greater cost than if produced by one comprehensive concern.

\*This statement is possibly incomplete with reference to statutes that may have been enacted in 1894.

† "Social Economics," part 4, ch. vi.

But we waive discussion of the general question whether, after all, *any* legislation whatever having in view even the *regulation* of trusts is absolutely necessary. On the assumption that such legislation is a *practical* necessity, in view of existing popular prejudice, we now proceed.

The mode of action that seems to us the proper one, is not new; it is already in actual use to such an extent, indeed, that it is almost surprising that it has not been already recognized and adopted as the true one applicable to trusts. The rule is simply this: *Where there is a monopoly of the production of an article of necessary public use, let the price as charged by the monopolist be (where necessary) limited to a maximum fixed by law.* This is the rule at the basis of the Inter-State Commerce Law, and has been applied to the price of gas furnished in cities. Thus it is provided by statute in New York that, in any city of more than 800,000 inhabitants, the price of illuminating gas shall not exceed \$1.25 a thousand.\* So in the case of elevator charges (hereafter to be noticed).

If the rule works well in these cases, why should it not be given general application? The public would enjoy all the advantages of a decreased cost of production, without the disadvantages of a price established in the absence of competition. And, in accord with the maxim of "large sales and small profits," those controlling the monopoly would, even under the restriction of a properly established maximum price, have a sufficient inducement to produce. This appears from the circumstance that the gas companies in New York City and Brooklyn continue to do business, notwithstanding the limitation referred to. It is scarcely necessary to add that it will suffice to merely limit the price *as charged by the monopolist*, without, however, attempting to limit the price as charged by retailers, for instance.

Assuming such legislation to be abstractly desirable under proper conditions, it remains to consider some practical difficulties and the best methods of obviating them. Such difficulties arise from certain provisions in the Constitution of the United States (ignoring, for the present, any possible difficulties arising from provisions in State constitutions).

Would such legislation be opposed to the requirement of the Fourteenth Amendment: "Nor shall any State deprive any person of life, liberty or property, without due process of law?" The Supreme Court of the United States has† decided that the Fourteenth Amendment was not contravened by a State statute (of New York) fixing a maximum charge for receiving, weighing and discharging grain by means

\* See Session Laws, 1892, ch. 566, sec. 70.

† In February, 1892.

of elevators and warehouses.\* Judge Andrews, delivering the judgment of the Court of Appeals, said: "We rest the power of the legislature to control and regulate elevator charges, on the nature and extent of the business, *the existence of a virtual monopoly*, the benefit derived from the canal, creating the business and making it possible, the interest to trade and commerce, the relation of the business to the prosperity and welfare of the State, and the practice of the legislature in analogous cases." The same view was adopted by the Supreme Court. And in a previous decision† the same court declared in an opinion written by Chief Justice Waite: "It is within the power of the government to regulate the prices at which water shall be sold by one who enjoys a virtual monopoly of the sale."

Thus there seems reason to believe that the Fourteenth Amendment furnishes no obstacle to legislation of the kind proposed. But a more serious difficulty remains to be considered.

Supposing the State of New York, for instance, to enact a statute fixing a maximum price for a ton of coal, such statute may be assumed to be valid, so far as concerns any coal produced, or that might be produced, and sold within the State. But what effect would such a statute have as to coal produced in Pennsylvania, imported into New York, and sold there by the importer directly to the consumer? It would be absolutely null, as conflicting with the exclusive power of the Federal government to "regulate commerce among the several States." It was so held by the Supreme Court of the United States in the well-known "original package case," involving the effect of the Iowa prohibitory law.‡ Hence, in the absence of co-operating Federal legislation, a New York statute fixing a maximum price of coal would, so far as effectual, tend to defeat its own end by giving the monopolist coal producer a monopoly of the retail, as well as of the wholesale, traffic.

Yet there is a way out of the difficulty, a way similar to that devised for the purpose of giving effect to State prohibitory legislation. We refer to the "Wilson law," enacted by Congress in 1890, and providing that "intoxicating liquors shall, upon arrival in a State or territory, be subject to the operation of the police power of the State." This statute furnishes the needed suggestion. We should have legislation by Congress, to the effect that articles imported into a State (at least such articles as are necessities of life) shall, *upon arrival in the*

\* See *Budd vs. New York*, 143 U. S., 517; which affirmed the decision of the New York Court of Appeals in 117 N. Y., 1.

† *Spring Valley Water Works vs. Schottler*, 110 U. S., 347, 354.

‡ *Leisy vs. Hardin*, 135 U. S., 100.



*State*, be subject to the power of the State to fix a maximum price therefor.

*New York City.*

FREDERICK H. COOKE.

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TRUSTS : ABUSES AND REMEDIES.

The general effect of monopolies has been to depress the price of the material they use and raise the cost to the consumers. Upon the whole, this modern trust has not been conducted in a manner satisfactory to the people. Some legal restraint must be put upon it, or the character of its incorporators greatly improved.

The issuing of licenses upon payment of a certain sum is one way by which the monopoly might be controlled. The taxation of street car lines, gas and water works companies by municipalities, is now quite the fashion. There is a large school of thinkers who advocate this scheme of taxation as an easy means of bringing in revenue. The idea seems to be a popular one and a number of cities already derive a considerable portion of their income from this source.

Nevertheless, it is a species of indirect taxation and very unequal in its bearings upon individuals. The revenue from franchises and percentages on gross receipts, had better be left in the pockets of the people who patronize the monopolies. The highways belong to the people of the city and to tax themselves for using their own highways is an absurdity. It would seem more statesmanlike to require the monopoly to serve the people at the lowest price that would bear a given dividend. If the special taxes were removed from car lines many of them could afford to reduce the fare from five to three cents which would effect a saving to the wage-earner of ten to twenty dollars per annum.

Another and more just manner of dealing with the trust would be to give it free scope but fix a maximum price for the articles it controls.

Corporations have liberty as individuals to pursue their own ends, but not to injure the public. An exorbitant charge for a monopolized article is as much an injury as a depredation on one's property or an assault upon one's person. Neither a corporation nor an individual, at common law, has the right to inflict public injury. The purchase of an article from a trust at an excessive price does not necessarily constitute a valid contract, either from a moral or legal point of view. A strict interpretation of the common law would require all contracts to be based upon equivalent values. The law does not recognize contracts where there is no "value received," and nothing but expediency can prevent it from questioning implied contracts where one party in trading returns only a partial equivalent of the value received.

When more is taken than given, the excess is equivalent to extortion. Such a transaction "violates morally" as much as gambling, and differs from it only in degree.

Monopolistic exactions may violate the principles of the common law in another aspect. Drunkenness, insanity, infancy, etc., are also grounds for invalidating contracts, showing that the law seeks to prevent taking advantage of one's extremity. Where there is effective competition a citizen has the liberty of protecting himself by seeking the lowest market, but a citizen confronting a monopoly, dealing in a necessary of life, is not free to buy or refuse. He has no option. His patronage is compulsory. The moral validity of any bargain may well be questioned where the agreement is not optional.

An excessive charge by a trust is, therefore, a distinct public injury and "opposed to public policy." Under this conception, the law may legitimately limit the price of a commodity controlled by a trust. As competition disappears this principle of the common law may be brought into better service.

A trust is not the machination of a knave nor is it a mushroom in the industrial world. It had its origin in a time when man was just emerging from a state of barbarism. It is the natural outcome of progress and its roots are deep in the ground. There is no use in railing against it for it has come to stay. It cannot be uprooted by statutes, nor destroyed by invective. In the savage state no partnerships existed because men were dishonest and distrustful. As morals improved, men gradually began to confide in one another; partnerships were formed, then large associations of men, on up to the corporation of to-day, with its hundreds of stockholders. The trust is an enlargement of this principle. It is a partnership of corporations. There can be nothing wrong in a trust *per se*. If two men may combine in a certain business, so also may three, and if three, why not ten, a hundred, a thousand or ten thousand? It violates no principle and is not necessarily hurtful in its operations. It may in the hands of corrupt men be a menace to society, as gun-powder or a pocket-knife may be in the hands of a fiendish individual. But properly conducted, a trust can be made to have the same effect upon industry as labor-saving machinery.

The main objection to trusts is that they are disposed to depress the prices of the things they buy and raise the prices of the things they sell. As to depressing the prices of the things they buy there is no mitigation of that offence. As to raising the price of the things they sell, there is, in many cases, entire justification. The intense competition in some industries has caused over-production and reduced prices below the line of profit. The prevalent practice of cutting each

other's throats was the strongest plea for co-operation. The restoration of prices to a reasonable extent does not provoke public censure. But a number of trusts seem to be actuated entirely by greed. Many gas companies and electric lighting companies make from twenty to fifty per cent profit. The Cordage Trust made \$1,406,313 for the year ending October 31, 1891, which was doubtless forty or fifty per cent on the capital. The Cotton Seed Oil Trust in one year cleared \$2,600,000, which was more than their capital warranted. The Lard Trust has been paying seven per cent on watered stock, the profits one year exceeding \$2,000,000.

Another great objection to trusts is that they often curtail production. Well, to a limited extent that is justifiable. Every farmer limits the area of land in this or that product in accordance with his estimate of the public demand and the prices governing the markets. It cannot be denied that some trusts have exceeded the bounds of necessity in their curtailment of production. The point to be emphasized is that in limiting the product the trust is no worse than most individuals or firms.

The "freezing out" of rivals is another great objection to the trust, yet an individual at present does the same thing with impunity. Nearly every man's success is made by overcoming others in the same business. Success is a process of elimination. The destruction of weak undertakings is a thing of daily and universal occurrence. However, but for public criticism many of the smaller enterprises might save themselves by joining the larger ones.

It is objected that those at the head of trusts may control legislation, and establish a commercial despotism. But the chances of their doing so will in future be even less than now. As consolidation continues, the number of superintendents will be diminished and the number of the employed increased. Therefore those whose interests are opposed to commercial despotism will hereafter outvote any antagonistic class. The employed class is already so large that capitalists are becoming rather suppliants than dictators. Their hey-day of power is past.

Merchants, manufacturers, shippers, brokers and every other variety of mankind, for the most part, are working just as hard as any trust to put down rivals. The number of men defeated in the race of life by concerns and individuals not connected with trusts is much larger than the number defeated by them. In the competitive system the methods of defeating rivals are just as unfair and just as merciless as those practiced by the trust. The trust generally invites its rivals to come in out of the cold, but such an invitation is seldom extended among competing individuals. Are not individuals just as prone to depress the prices of the things they buy and to raise the prices of the



things they sell as the trust? Are not farmers, by co-operative stores, seeking to depress the prices of the things they buy? Are not the merchants, mechanics, professional men and all seeking to do the same thing? Do any of them hesitate to buy cheaply or accept high prices for what they place upon the markets? A study of the statistics of New York reveals the fact that a number of farmers make from forty to fifty per cent profit on their capital. Small traders abound everywhere who make even higher percentages of profits. In fact the scale of profits rises as the amount of capital decreases.

While those connected with great corporations are no worse than mankind generally, they by no means measure up to the required standard as trustees of public interests. The enlarged powers of trusts carry with them new responsibilities. The widened horizon exposes to view many hardships and imperfections of our industrial life which before were unnoticed. The opportunity to do good and the public gaze fixed upon trust officials cannot long fail to inspire them with higher ideals. The scrutiny to which they are subjected is the severest test by which men can be tried.

Everything else improves and why may we not expect some advance in human nature? May not every corporation and every business enterprise be actuated by some of the motives which prompt endowments for public and private institutions? May not services to the public in supplying a good article at a low price come to be regarded as more genuine philanthropy than endowments inspired by the apparition of death? The gauntlet that trusts must run are the discipline out of which is to come the betterment of national character. Men who exceed the limits of justice in the use of their corporate powers will encounter thorns in public sentiment. When the judgment of the people is what it should be, the trust official who is a confederate in a plot to exact unreasonable prices, will stand in the community on a level with the convict and highwayman.

The power to be exacting by no means implies that such power will be used. All men have the power to commit crime, but it does not follow that they will make haste to get into the courts. Barring the legal penalties, the merchant or trust official is influenced by the same motives as those which restrain any other citizen from wrongful acts. Love of approbation is as potential with merchants and manufacturers as with any other class.

Ruskin says: "The soldier will die rather than leave his post; the physician, rather than flee from a plague; the pastor, rather than teach falsehood; the lawyer, rather than countenance injustice. On what occasion does the merchant die for his country? For the man who does not know when to die has not learned how to live." The poet answers

thus: "It is the soldier's duty to defend the country; the pastor's, to teach it; the physician's, to keep it in health; the lawyer's, to enforce justice in it; the merchant's, to provide for it. . . . The merchant rather than fail in any engagement or consent to any deterioration, adulteration or unjust and exorbitant price of that he provides, he is bound to meet fearlessly any form of distress, poverty or labor, which may, through maintenance of these points come upon him. . . . And as the captain of a ship is bound to be the last to leave his ship in case of wreck, and to share his last crust with his sailors in case of famine, so the manufacturer in any commercial crisis is bound to take the suffering of it with his men, and even to take more of it for himself than he allows his men to feel, as a father would in a famine, shipwreck or battle, sacrifice himself for his son."

The trust of the future will be considered richest that supports the greatest number of comfortable and happy homes; the merchant prince will be one who exercises the widest helpful influence over the lives of others.

JEROME DOWD.

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#### THE RELATION OF ECONOMICS TO SOCIOLOGY.

The present is a period of transition for the social sciences. The social philosophy of the eighteenth century had such a hold on the thinking world of the first half of the present century that few systematic efforts have been made to displace it by a new philosophy more in harmony with present conditions. This old social philosophy was divided into two distinct parts—utilitarianism and political economy. The first, as its name shows, was a theory of utility, the second was in essence a theory of goods; that is, a theory of material wealth and of the objective conditions which determine its production and increase.

I have shown elsewhere\* that this division of social philosophy into utilitarianism and political economy is artificial and unsatisfactory, and that these two are really one science having two roots, one in the objective and the other in the subjective world. We have then a pure science of economics dealing with the elementary forces belonging to the theories of goods and utility, and a concrete science of political economy dealing with the phenomena of modern industrial societies. I use the term "political economy" in an old sense as the economy of men in a political society. Certain political regulations and social instincts are assumed as facts in political economy that do not belong

\* "The Scope of Political Economy." *Yale Review*, Nov., 1893.

to the theories of goods and utility. If the forces treated of in the theories of utility and goods were the only forces influencing the choices of men, a true society could not be formed. The relations existing between them would be merely those of an economic aggregate, where external conditions and internal desire alone determine the conduct of each individual.

Between the general science of economics and the concrete science of political economy lie the social sciences, a field dealing with the forces neglected by the older social philosophers, but demanding attention at the present time because of the gap created by the strict demarkation of the field occupied by the theories of utility and goods. This failure of the old social philosophers to explain the complex phenomena of the present social world through the meagre premises of their philosophy has caused the sociologists to take a revolutionary attitude toward the work of their predecessors, and to seek to place their new science antecedent to it. A conflict has thus arisen which must be decided before further progress can be made.

It is true that no other economist has conceived of economics in exactly this manner, yet I have in no way departed from the spirit of their work, nor have I done violence to the established usage of economic terms. I have merely adjusted the use of these terms to the needs of to-day, and I have tried to restore the broader meanings which were in use before the Ricardian epoch. If, however, we accept the thought of Professor Giddings and place sociology antecedent to economics, we give to the words "social" and "association" a new meaning opposed to all usage, and also confuse two concepts which must be kept distinct.

In marking off the field of sociology there lies the same confusion of thought that formerly lay in economic discussions due to the confusion of pure economics with concrete political economy. In the one sense sociology treats of the phenomena due to the occupation of a common environment by several individuals—the phenomena of mere contact in a physical environment. In the other sense sociology treats of the phenomena resulting from certain subjective feelings which bind men together. In the first sense, hostile men or a beast and its prey are parts of one society and "associate" with one another. In the second sense, only friendly bonds create a society. It is a relation existing between a number of similar beings united for common ends. The one is the phenomena of hostile contact, the other that of friendly contact. Professor Giddings calls both these classes of phenomena "social," and treats them\* as though they were co-ordinate phenomena belonging to one science. Evolution of "the good old way" of

\* "Utility, Economics and Sociology." ANNALS, vol. v, p. 86, November, 1894.



survival through conflict is grouped together with that secured through such bonds as those which bind a mother to her child.

It is plain that the phenomena of hostile contact are among the first phenomena of life. The problem is to classify them properly. I do not think that they belong to the theory of society or even to the theory of utility, but to the theory of goods. The fly is merely a good to the spider. The various objects about the spider are either goods or indifferent objects. The fly belongs to the former class, and thus becomes an object of desire. The spider wants contact—so as to convert the fly into a good. The fly recognizing the spider merely as an evil wants to avoid contact. No other relations exist between them. Yet these simple relations cause an evolution in both the spider and the fly. The least active and most stupid flies are caught by the spiders. The least active and most stupid spiders fail to secure enough flies to keep them alive. This simple evolution belongs to the theory of goods and does not demand a conscious recognition of other facts than that objects of interest are either goods to be secured, or evils to be avoided.

Professor Giddings speaks of a theory of physiological utility, but this theory to my mind is nothing more than the theory of goods. The fact that a relation between an object and an organism creates an advantageous change within the organism makes the object a good to the organism. The relation can be viewed as well from the side of the object as from that of the organism. Thus the theory of goods will explain all the facts of these simple relations and the term "utility" can be reserved for the feelings which arise in higher beings.

The changes in organisms which hostile contact creates, make them more conscious of feelings of utility and thus bring them under the influence of the theory of utility. The increased wariness of flies or the increased competition of spiders for food increases the activity of surviving spiders and thus increases the intensity of pleasure which the possession of food gives. Hostile contact thus promotes the growth of intense feelings and gives to isolated beings an intense initial desire for the goods they consume. There is therefore no need of a bond of union between similar organisms to create the most intense feelings in isolated individuals. Intense initial utilities precede the true social feelings by a period too long to make it possible to treat the two as though they were co-ordinate facts.

Even if it were admitted that all organisms surviving at the present time have social instincts and are influenced by their fellows, it would not disprove my theory of the order in which different activities develop. It must not be forgotten that the higher organisms of to-day

are not the descendants of the present lower organisms. While both are the descendants of common ancestors these common ancestors did not have all the qualities of any living species. All types of animal life may need social instincts to survive under new conditions and yet the earlier organisms, living when the struggle for existence was not so fierce, could have prospered without any social bonds. The need of union would come only when intense feelings goaded the enemies of a species to such a degree that extinction would follow if new methods of defence were not devised. The mere influence of hostile contact would in time force progressive animals into a social state.

There are, however, at the present time many organisms which have not acquired any social instincts. There are in these cases no enduring bonds between males and females or between the mother and the offspring. To such creatures all objects of interest are goods or evils. They are conscious of no other distinctions than those recognized in the theory of goods. A recent observer of serpents describes the cobras in the following manner. "The baby cobras," he says, "had no more knowledge of or affection for their mamma than if she were an old tree root or something inanimate lying in their way and troublesome to be climbed over. Nor would the mother take the slightest notice of her interesting family. Indeed some of them she never saw at all." Yet the cobra has considerable intelligence and manifests strong feelings when aroused to activity. If isolated individual organisms of this type can survive at the present time without a trace of social instincts, it is easy to see how millions of generations could have passed away before organisms began to associate for common ends and learn of each other through suggestion and imitation.

But, it is asked, how do these hostile individuals, conscious only of their own wants and of the differences in the quality of goods, become aware of the presence of other conscious beings and conclude to become social? The answer to this question is not difficult if we look for a solution among those objective conditions that determine a progressive evolution. The objects that are goods to each species are unequally distributed throughout the environment. The stronger animals of each species secure for themselves the localities where these goods are most abundant. The weaker animals are forced thereby into unfavorable localities where their food is scarce. They must, therefore, resort to new means to secure it or perish. They find this means in co-operation, and thus new relations grow up between them that are absent from the stronger animals which occupy the better localities where individual exertion can secure the needed food. Social bonds at first arise not among the victors but among the vanquished. They are the means by which the vanquished outwit



their conquerors. Social relations begin with indirect activities. New motives are created when one being recognizes another as a means to an end. A friendly feeling springs up between two beings when each one regards the presence of the other as a condition to the satisfaction of his desires. An enemy of the presocial state becomes a means in the social state and is thus preserved from destruction.

The social forces are a check to immediate consumption and to those activities which prompt immediate consumption. Time knowledge and an appreciation of time relations must precede any of the social activities. A being must be able to contrast the present and the future and have self-control enough to put a period of non-consumption before consumption. There must be pleasures of anticipation as well as those of realization. The motives that would prompt the destruction of a fellow creature are held in check and new feelings of pleasure are aroused by the fact that the presence of a comrade is an index of future consumption. As soon as consumption by direct means becomes impossible or even improbable, the feeling of pleasure which the possession of food affords is transferred to the means by which it is to be secured.

The social feelings are but a developed type of a large class of feelings due to the love of means by which ends are attained. The hunter loves his dog and gun, the herder his cattle, the mechanic his tools, the farmer his lands, the merchant his business and the lawyer his profession. Animals love their master or the persons who feed them; they even have an affection for the place and time which are associated in their minds with the presence of those on whom they depend. There is, therefore, nothing peculiar about the rise of social feelings as soon as beings are placed in a position where they must resort to indirect methods to satisfy their wants. They are sure to accompany the psychical development which makes indirect action possible.

The perception of time relations leads to a new concept—that of self or personality. The passing feelings of different periods are united into one group and contrasted with the enduring element in all experience. When this concept becomes definite the being is able to infer the existence of other enduring beings through groups of phenomena similar to that created by his own actions. Certain actions thus become the index of mental qualities and the recognition of similar beings becomes possible. Suggestion and imitation grow up through further study of the relation of acts to their effects. The more successful individuals of a group become models to be imitated by comrades. These new activities and the resulting instincts strengthen the tendency to use means for securing ends and bring



similar beings into such intimate relations that conscious social forces can arise.

When these social forces have once become strong enough in individuals to check their hostile feelings, and thus enable them to co-operate for common purposes, the process of evolution is materially modified. Not only can the socially strong through co-operation secure a living in the poorer portions of the environment where isolated individuals would perish, but also when united they become powerful enough to displace the unsocial members of their species who, through their individual strength, have occupied better portions of the environment. However powerful an isolated being may be, he cannot withstand the encroachments of a group of weaker but united beings. When, therefore, social feelings appear in any group, they force the growth of social feelings in all the groups with which they come in contact. The power of surviving lies with the more compactly united social groups.

This opposition between the less social but stronger members of one group and the more social but weaker members of other groups shows itself in all stages of social development. It is the basis of the contrast between static and dynamic societies. A group of individuals push themselves into an environment for which they are peculiarly fitted, and through their adjustment to these local conditions become static. The weaker in this local struggle escape to some other locality, which, in the judgment of the static group, is not so good as the first locality. Here the second group becomes dynamic, and develops new social feelings through which their productive power is increased. The new environment is, in this way, made better than the old one, and the second group also acquire the power to displace the first group in the region where they formerly had an advantage. Under these new conditions the second group tends to become static, and thus pave the way for the rise of a new social group with stronger dynamic tendencies. Social progress is a series of such upheavals, and as a result it becomes a continuous process.

If this position is correct, it is not difficult to map out the order of the various social sciences. There are three groups of forces operating in any complete society: the physical forces that come from the objective environment and create the theory of goods; the desires that form the basis of the theory of utility; and the social forces that unite men for common purposes, and lead each one to regard the others as means to ends. By studying each of these forces in isolation, we create three hypothetical sciences, in each of which there is a hypothetical man whom we assume to be influenced in his actions by only one of these forces. First of all, we have the hypothetical

physical man—the slave of physical conditions—who is perhaps best described by Buckle in his “History of Civilization;” then we have the economic man, familiar to all students of economic literature; and, finally, the social man—the ideal of socialism—who feels no other motives than those which spring from the feelings which unite men in the most advanced societies. Following these studies, and based upon their conclusions, comes a concrete realistic science to which the name sociology could well be given, as its field corresponds more closely to that outlined by sociologists than to any other field. At any rate, they must choose between making their science a hypothetical science, dealing with the theory of social forces, and a realistic science dealing with the aggregate phenomena of the social world.

Professor Giddings does not recognize this distinction. He defines sociology as an “attempt to account for the origin, growth, structure and activities of human society by the operation of physical, vital and psychical causes, working together in a process of evolution.”\* Here he evidently has in mind a concrete realistic science treating of all the phenomena of human society. On page 18, however, he says that “sociology may be defined as the science of social elements and first principles.” Here I understand him to refer to the hypothetical science dealing with the social forces. That this is his meaning becomes plain on page 36, where he describes sociology as “a special, differentiated branch of psychology.” As the first definition made sociology include the physical and vital causes as well as the psychical, the latter science cannot be more than a part of the first. A branch of psychology cannot give us more than a theory of tendencies from which we can determine what a hypothetical social man would do under certain circumstances. To determine the actions of the actual inhabitants of our social world, we must blend together the results of these forces with those coming from the economic and physical world.

Whether economics is a “social” science or not depends upon the definition of the term. If the word is used in a narrow sense, meaning by it the phenomena due to the subjective forces which bind men together and make them love and trust one another, economics is not a “social” science. If, however, “social” be used in a broad sense, and made to include all the phenomena of a human society living in a common environment, economics is a “social” science. Much of the phenomena of such societies are due to the economic forces operating in them, and no explanation would be valid which neglected the economic factors.

SIMON N. PATTEN.

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\* “The Theory of Sociology,” p. 9.

## SOCIOLOGICAL FIELD-WORK.

In every community and especially in the large centres of social and economic activity—our large cities—there are many facts that come to our attention every day, the relative importance and meaning of which it is the privilege and duty of those who teach sociology and economics to impress upon their students. With beginners it is always necessary to spend much time in training them to observe properly, to habituate themselves to notice and mentally, at least, correlate many things that have been familiar to them from childhood. To do this in lectures is both difficult and uneconomical of time and energy it requires. Professor Henderson, of Chicago, has recently given us a handbook \* of questions and topics which may serve a useful purpose as a stimulant in the right direction if put in the hands of students and accompanied with a more detailed explanation of the use to which it should be put. Beyond this, however, it seems to me that the rich fields for a certain kind of social laboratory work which exist around most of our larger colleges should be better utilized in connection with elementary courses in sociology and practical economics.

Professor M. Cheysson, of the *École libre des sciences politiques*, at Paris, made last year a splendid beginning in the way of systematic work of this kind. I am aware that many instructors both here and abroad have, in connection with their seminaries or apart from their regular work, often made excursions with their pupils, but I doubt if any have attempted to utilize the results of such efforts in the thorough and satisfactory way that Professor Cheysson has demonstrated to be possible.

Professor Cheysson's special course last winter was entitled "*Cours d'économie sociale*," and the program included nine excursions to which as many Saturday afternoons were devoted. These were scattered throughout the year, the intervening Saturdays being taken up with the lectures of the course which made frequent use of the facts observed during the excursions.

It is hardly necessary to give a detailed account of the places visited. Sometimes several places were visited in one day and three to four hours were always devoted to each excursion. The shops, schools for children of employes, restaurant and family supply kitchen of the *Compagnie d'Orléans*, one of the large railroads coming into Paris, which has undertaken many social experiments in the interests of its men, were visited. Arrangements were previously made to have some one connected with each department of such work give a detailed explanation of its plan, scope and results. Printed reports and circulars so

\* "Catechism for Social Observation." By C. R. HENDERSON. Price, 25 cents. Boston: Heath & Co.



far as possible were given the students and the questions of professor and students often elicited much interesting information hardly accessible in any other way. In like manner co-operative stores and societies in various parts of Paris, profit-sharing establishments and model tenement houses were visited. The work of societies for building workmen's dwellings singly or in pairs was inspected, and the results compared with the large house plan. One of the government tobacco factories was visited and its various operations and its use of machinery were studied. Trade associations, the society for the invention of preventives and safeguards against accidents from machinery, the association for mutual insurance against accident, and the association for giving poor-relief in the shape of work and many others in turn came in for a visit, and in no case did the students come away without many valuable impressions and bits of information. Not least interesting and instructive were the visits to large concerns like the *Grands Magasins du Louvre* and the piano factory of Pleyel & Wolff, where the statements of those in charge threw new light on many problems of management of labor, etc., with which the students were entirely unacquainted.

The success with which these excursions were attended seemed to me to depend chiefly upon three things, (1) the wealth of interesting experiments in a large city like Paris; (2) the extreme care and tact displayed by Professor Cheysson in having made thorough arrangements beforehand and having induced those actually in charge of each establishment and therefore thoroughly conversant with the facts to be prepared to give introductory talks and explanations of the work undertaken in each case, and (3) the able way in which Professor Cheysson added explanations and observations which brought such information into some definite relation to social theories and economic principles and doctrines. In regard to the latter point it was often possible to do some effective work on the spot, more often necessary to reserve comments until some other occasion presented itself.

The preparation for such work has its difficulties even in the case of so well-known and recognized an authority as Professor Cheysson. Public concerns and business enterprises are not always ready to devote the necessary time and to endure the inconveniences, attending the visit of a large body of students. Professor Cheysson perhaps erred in not limiting his numbers. At times he had as many as seventy students on these excursions. As a result more inconvenience was occasioned than was necessary, and in some cases where machinery was running many persons could not get near enough to the speaker to hear explanations. In carrying out a similar plan of sociological excursions at the University of Pennsylvania I have tried to limit the class to

twenty, and in one or two cases I have taken this number in two sections at two different times to the same establishment, and I think with better results on that account. On the whole the results have been so satisfactory that I feel under great obligations to Professor Cheysson for the object lesson, and believe that the utility of similar work to others will justify this public statement. My plan has been somewhat different from that followed by Professor Cheysson. The program includes a series of excursions each week, counted as equivalent to two hours' work, running through the college year. After every third or fourth excursion a conference session is held, at which written reports of the social information obtained on the past excursions are made by members of the class delegated for that purpose. All take notes and are expected to help correct and fill out the official reports which are then discussed, and additional facts relating to foreign countries supplied so far as possible. During the first term the excursions take in large business establishments only where peculiar features of an industrial and social nature are to be seen. During the second term the program includes various charitable and reformatory institutions, slum districts, model dwellings, etc. This division corresponds somewhat to that of the regular course the class is taking in descriptive sociology in order to make the results of value in both courses.

The American business community, so far as Philadelphia is concerned, has been much more willing to respond and co-operate in the necessary plans for this scheme than one would anticipate. It seems to me that every community must offer some opportunities, some kind of sociological field-work which should be a necessary adjunct of every course in sociology especially for classes of beginners. There is no better way of arousing interest and laying the foundation for good work in sociology than the kind of knowledge one gets in such practice. With more advanced students, of course, a different kind of investigation must be encouraged, but this more general work will train the beginner to commence at once to keep his eyes open to the relative importance of social phenomena and to utilize his spare moments in street-cars, walks and daily routine of work in that sort of observation which will to a large extent determine his ability to cope with the social sciences.

S. M. LINDSAY.

*University of Pennsylvania.*

## PERSONAL NOTES.

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### AMERICA.

**Adelbert College.**—Mr. Stephen Francis Weston has been appointed Associate Professor of Political and Social Science, with full charge of that department in Adelbert College, Cleveland, Ohio. He also has charge of that department in the Woman's College of Western Reserve University. Professor Weston was born at Madison, Somerset County, Me., March, 10, 1855, and attended in his youth the country schools at Madison and Skowhegan, Me. He then entered the preparatory department of Antioch College, Yellow Springs, Ohio. The years 1877-79 he taught in the private school carried on by the Ethical Society of Philadelphia, the latter year being principal of the school. He received in 1879 the degree of A. B. from Antioch College. He received from the same institution the degree of A. M., in 1884. After his graduation from Antioch, Mr. Weston was employed in a railway office in Peoria, Ill. In 1885 he entered the University of Michigan and pursued post-graduate studies there for two years. In 1890 he entered the Columbia College School of Political Science, and after two years' study was appointed in 1892 Assistant in Economics, resigning his University fellowship\* to accept this position, which he held until the time of his present appointment.

**Chicago University.**—Dr. Ernst Freund has been appointed Instructor in Jurisprudence at the University of Chicago. He was born in New York City on January 30, 1864, but spent his entire youth in Germany. He studied at the Universities of Berlin and Heidelberg, receiving from the latter the degree of Doctor Juris, in 1884. He then studied at the Columbia law school and in 1886 was admitted to the New York bar, at which he has since practiced. During 1892-93 he was Lecturer of Administrative Law at Columbia, taking the place of Professor Goodnow during his leave of absence.

He has written a number of papers in legal periodicals:

"*The Proposed German Civil Code.*" American Law Review, July, 1890.

"*Historical Jurisprudence in Germany.*" Political Science Quarterly, September, 1890.

\* See ANNALS, vol. ii., p. 254, September, 1891, and vol. iii., p. 242, September, 1892.



"*Private Claims Against the State.*" Ibid., December, 1893.

"*American Administrative Law.*" Ibid., September, 1894.

**Columbian University.**—Dr. James C. Welling, whose death was announced in the last issue of the ANNALS,\* was author of the following essays and papers:

"*The Science of Politics.*" The North American Review, vol. 80, p. 343.

"*The Monroe Doctrine.*" Ibid., vol. 82, p. 478.

"*Sacred Latin Poetry.*" Ibid., vol. 85, p. 120.

"*The Mecklenburg Doctrine of Independence.*" Ibid., vol. 118, p. 256.

"*The Emancipation Edict.*" Ibid., vol. 130, p. 163.

"*Race Education.*" Ibid., vol. 136, p. 353.

"*The True Sources of Literary Inspiration.*" Inaugural address at Princeton College, 1870.

"*The Life and Character of Joseph Henry.*" Published by order of Congress by the Smithsonian Institution, 1880.

"*Atomic Philosophy, Physical and Metaphysical.*" Before the Philosophical Society, Washington, D. C., 1884.

"*The Law of Malthus.*" The American Anthropologist, 1888.

"*Connecticut Federalism, or Aristocratic Politics in a Social Democracy.*" Address before the New York Historical Society, 1890.

"*Slavery in the Territories.*" American Historical Association, 1891.

"*The Law of Torture.*" The American Anthropologist, 1892.

"*The Last Town Election in Pompeii.*" The American Anthropologist, 1893.

"*The Behring Sea Arbitration.*" Columbian University Studies, 1893.

"*The Science of Universal History.*" Ibid., 1894.

**Cornell University.**—Dr. Frank Fetter has been elected to the Instructorship in Political Economy at Cornell, which was made vacant by the death of Dr. Merriam.†

Dr. Fetter was born March 8, 1863, in Peru, Ind. He attended the public schools of Logansport, Ind., and the Peru High School. He entered the University of Indiana in 1879, but left before graduation and started to study law and to engage in newspaper work. He spent several years in business in Peru. In 1890 he returned to the University of Indiana and graduated the following year with the degree of

\* Vol. v., p. 412.

† See ANNALS, vol. iv, p. 647, January, 1894.

A. B. The year following he held the new President White Fellowship in Political Science\* at Cornell, and received in 1892 the degree of A. M. from that university. He then went abroad and pursued post-graduate studies in Paris and Halle, receiving from the latter university the degree of Ph. D. in July, 1894. His doctor's thesis was entitled :

"*Die Bevölkerungslehre kritische behandelt*," and is now on press. He has also written:

"*History of the City of Peru, Indiana.*" Published in the "History of Miami County."

"*Our University.*" Indiana Student, June, 1891.

**Franklin College.**—Mr. Charles Elmer Goodell has been appointed Professor of History at Franklin College, Indiana. Professor Goodell was born on March 17, 1862, at Washburn, Marshall Co., Ill. He attended the public schools at Mankato, Minn., and Franklin College, from which he graduated in 1888 with the degree of A. B. The year 1889-90 he was Instructor in Modern Languages in Franklin College. He then went to Cornell University to pursue post-graduate studies, and remained there two years. The two years following (1892-94) he was Principal of the Mankato High School.

**Harvard University.**—Dr. John Cummings,† Reader in Political Economy at the University of Chicago, has been appointed Instructor in Economics at Harvard for 1894-95.

**Indiana University**—Dr. Frank Fetter, now at Cornell,‡ has been elected Professor of Political Economy at the Indiana University, and will enter upon his duties with the academic year 1895-96.

**University of Texas.**—Mr. David Franklin Houston has been appointed Adjunct Professor of Political Science at the University of Texas. Professor Houston was born on February 17, 1866, at Monroe, Union County, N. C. He obtained his early education at St. John's Academy, Darlington, S. C., and in 1885 he entered South Carolina College, at Columbia, from which he graduated in 1887 with the degree of A. B. The next year he was a tutor at South Carolina College, but resigned this position in 1888 to become Superintendent of the Spartanburg (S. C.) City Schools. He remained there three years, and then resigned to enter the Harvard Graduate School, where he pursued his studies for three years (1891-94). In 1892 he received

\* See ANNALS, vol. ii, p. 254, September, 1891.

† See ANNALS, vol. v, p. 273, September, 1894.

‡ See page 128 above.

the degree of A. M. from Harvard. During 1892-94 he held a Morgan Fellowship in Political Science.\*

#### AUSTRIA.

**Vienna.**—Professor E. Bernatzik,† formerly of Gratz, has been appointed Ordinary Professor of General and Austrian Public Law at the University of Vienna, and has entered upon the duties of that post. To the already published list of Professor Bernatzik's writings should be added :

"*Zur neuesten Literatur über das deutsche Reichsstaatsrecht.*" Schmolzer's Jahrbuch, Vol. XVIII, 1894.

\* See ANNALS, vol. iii, p. 242, September, 1892, and vol. iv, p. 315, September, 1893.

† See ANNALS, vol. ii, p. 116, July, 1891, and vol. iv, p. 651, January, 1894.



## BOOK DEPARTMENT.

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### REVIEWS.

*Philanthropy and Social Progress.* By JANE ADDAMS, ROBERT A. WOODS, J. O. S. HUNTINGTON, FRANKLIN H. GIDDINGS, BERNARD BOSANQUET, and HENRY C. ADAMS. Pp. 268. Price, \$1.50. New York : T. Y. Crowell & Co., 1893.

The book contains seven lectures delivered before the School of Applied Ethics at its summer session in 1892. The lectures are of high but unequal merit, and represent very diverse temperaments and phases of philanthropic interest.

Miss Addams in two lectures discusses the subjective necessity and the objective value of social settlements. The lectures are characterized by great penetration, abundant but thoroughly controlled sympathy, moderation of statement and chaste literary style. Miss Addams is the more convincing to the thoughtful reader because she claims less for social settlements than he had braced himself to expect. Nevertheless, according to her inventory, the settlement has an encouraging balance to its credit. It is not a marvelous success, but it is a success. The second lecture is especially valuable for its information concerning the workings of Hull House.

Mr. Woods, of Andover House, Boston, discusses the same problem in a less satisfactory way. He is suggestive, but not convincing. It is but just to say that his faults are those of the enthusiast, an exuberant style not always in good taste, and a tendency to prophecies and proposals which sober thought would modify.

A very different fervor is that of Father Huntington, who discusses the foibles of philanthropists and the failures of philanthropy. There is something terribly impressive in this earnest indictment of the vast institution of modern charity, and in the unsparing criticism of those who have found in their charitable deeds a subject of much self-complacency. Wealth is patronizing and poverty fawning. The one complacently and the other enviously misjudges the malady, and mistakes the cure. Demoralizing and vicious poverty is but the obverse of demoralizing and vicious wealth. Pauperism is but a local eruption, the symptom of a widely diffused disease which affects rich and poor alike. And this is none other than selfishness, a temper that is never more offensive or vicious than when it palliates the evils which

it creates. Even the associated charities, while eliminating the worst forms of the vice of charity, have not employed the only really redemptive force; that of positive personality. All this is old, but the writer makes it terribly new. It is not all the truth, but I fear it is all true. It would be easy to point out defects in these lectures, but it would be neither gracious nor profitable. The world sadly needs to have these things said occasionally, and few have the ability and the courage to say them as Father Huntington has done.

But while some poverty is due to social injustice, and demands something very different from charity for its relief, there is much that is due rather to social progress and is inseparable from it. It is to the latter that Professor Giddings directs our attention. Father Huntington declaims against the charity which refuses to interfere with social maladjustments. Professor Giddings warns us against the charity which would interfere with social readjustments. To my mind each is extreme, being too much inclined to reduce all poverty to a single kind. Both kinds exist. The one ought not to be, and it calls less for relief than for reform. The other must be; it is but the debris of social manufacture, a thing to be minimized indeed, but the machine that turns out necessary wares must not be stopped because it makes chips. In scientific temper Professor Giddings' lecture is certainly admirable, and his analysis of the true character of society and the nature of social progress is eminently satisfactory.

Mr. Bernard Bosanquet gives an excellent account of charity organization in London, though his lecture of necessity contains little that is novel. Professor Adams contributes a brief introduction.

H. H. POWERS.

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*A History of Germany in the Middle Ages.* By ERNEST F. HENDERSON. Pp. xxiv, 437. Price, \$2.60. New York: Macmillan & Co., 1894.

This is the first of three volumes intended to cover "the whole of German history." Such a work is greatly needed. In spite of the many volumes written by German scholars, there is no satisfactory history of Germany as a whole. The tendency of the historical training in the German universities is opposed to such general work. The seminars turn out specialists, admirably equipped for minute research, but apparently incapable of taking a broad view. In his old age, Ranke, the father of the historical seminar, realized this danger and doubted the wisdom of the innovation which he had himself introduced.

But this attention to the minutiae has opened to us an enormous mass of new material. In the last twenty years, thousands of volumes have been devoted to the elucidation of special topics. A few men of somewhat broader range have made use of these special theses and prepared scholarly works on certain phases or periods. Lamprecht is writing a great work, of which the fourth volume has just appeared, on the social history of Germany. Brunner and Schröder have rewritten the constitutional history. Winkelmann has thrown a flood of light on the Hohenstaufen period. Mühlbacher, Manitius, and many others might be mentioned. But the average student has needed a scholarly work which embraced, within reasonable compass, the most important results of all this erudition. Such has been Henderson's task.

We are already indebted to the author for a most serviceable volume of translations; and his labor in preparing that collection has fitted him for his larger work. His acquaintance with the leading sources has saved him from the errors which a less scholarly writer inevitably makes. In the present volume the material is judiciously chosen, the statements are accurate, and the proportion observed, good. The work is a valuable addition to our accessible material. It is by far the best history of Germany that we have.

As two more volumes are promised, some criticisms may be added. The style is faulty and unattractive; the proof-reading is careless; no uniform system is followed for the proper names. But we do not wish to emphasize defects in detail, as we feel sure that every competent teacher will advise his students to read this book.

DANA C. MUNRO.

*University of Pennsylvania.*

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*An Introduction to the Philosophy of Herbert Spencer*, with a Biographical Sketch. By WILLIAM HENRY HUDSON. Pp. ix, 234. Price, \$1.25. New York: D. Appleton & Co., 1894.

The author of this volume hopes to furnish "thoughtful and inquiring persons of broad outlook but limited leisure" an "outline map or hand guide" to the philosophy of Herbert Spencer. He has done this; and more. He has given students long familiar with Mr. Spencer's voluminous writings an exposition of the philosophic system expounded in them that is masterful and helpful both in the way of refreshing one's memory and in throwing new light on the development of Mr. Spencer's theories. The first two chapters, "Herbert Spencer: A Biographical Sketch" and "Spencer's Earlier Work—Preparation for the Synthetic Philosophy," are in themselves valuable



contributions to the history of the doctrine of evolution. Mr. Hudson shows conclusively that the distinction of first proclaiming this great hypothesis definitely and coherently and making its application universal belongs not to Darwin, but to Spencer. The "Sketch" does not give us as much *personalia* about the early career and private life of the synthetic philosopher as one would wish. His mental habits and characteristics and methods of work are only enlarged upon where they help to explain the peculiar origin and growth of some of his theories.

The outline of the "Spencerian Sociology" is an excellent example of the compact and suggestive treatment of the most important, and at the same time the most misunderstood and derided part of Mr. Spencer's system. Many will doubtless complain that there is not a fuller treatment of the subjects dealt with in Volume I of the Sociology. But Mr. Hudson chiefly aims in this chapter to show how and wherein his political doctrines fit in with his general system; to demonstrate that his individualism for which he is so universally condemned and at which many marvel, "so far from being artificially foisted on to the rest of his system, as some would have us believe, grows naturally out of and therefore properly belongs to it—is an organic part of his general doctrine of universal evolution." And he emphasizes what many, if not the majority, of the critics of the political philosophy of Mr. Spencer fail utterly in perceiving, viz., that the Spencerian State has great and comprehensive functions, positive as well as negative, and that "in its special sphere—the maintenance of equitable relations among the citizens—governmental action should be extended and elaborated."

Mr. Hudson would have done himself a substantial service toward gaining a speedier and firmer hold on those who may study his excellent introduction had he stated in his preface the fact that for several years he was privileged to enjoy intimate relations with Mr. Spencer, as his private secretary, living with him, seeing and hearing him, learning the man, his mind, and his theories at first hand. For on the title page of this work we learn that Mr. Hudson is associate professor of English literature at Leland Stanford Jr. University, and we are quite sure many will think that no matter how profound a student he may be of literature he is not thereby better, but is likely less, qualified to expound the philosophic system of such a subtle and comprehensive thinker as Mr. Spencer. Whereas, we have here an admirable, discerning and enlightening introduction to the Spencerian philosophy.

FRANK I. HERRIOTT.

*Philadelphia.*

*Nationale Produktion und nationale Berufsgliederung.* By DR. HERMANN LOSCH. Leipzig: Duncker und Humblot, 1892.

Losch wishes to show in his highly interesting and instructive book, that Germany must adopt a new policy in regard to production, if she is not gradually to be quite crowded out of the world-market by foreign competition. According to the author's view, the industrial life of Germany, as indeed of Western Europe, is seriously threatened by American competition, because in the United States ruthless organization and purely industrial technique have made such strides. Their superiority in the world-market, the shortening of the hours of labor, the high wages,—all these have their common cause in the technical improvement in the production of commodities. Also in Western Europe, the technique of individual trades has perfected itself; but the weak point of this development lies in its want of system and of combination, and in the insufficient extension of large industry. It is necessary to combine more the processes of the small concerns and thereby arrive at greater results in the way of total production.

In a statistical and technical survey of the different fields of national production and their divisions according to trades, the author undertakes to show in detail how much labor and capital is wasted by the noncentralized method of production. For instance a comparison of the manufacture of tobacco in countries where this is a monopoly and in those where it is not, shows that in the former many thousand fewer workmen are necessary for the manufacture of the same amount of the product. A list of different branches of production are investigated in this way,—milling, brewing, mining, manufacture of machines and textiles, and in all cases the author tries to prove how much labor could be saved by more extensive organization, and shows that in point of enthusiasm, inclination and advertising there would be a very great economy in the big industry.

On the basis of these statistical and technical investigations, the author comes to the following conclusion as to what results would attend more systematic production, conducted on a large scale: (1) In the trades examined the average labor period, if in fact it amounted to twelve hours, would be reduced to nine and three-tenths hours, without the quality or quantity of the commodity produced being affected. (2) The amount of commodities could, under State management, be increased twenty-nine per cent in the industries in question, taking existing technical proficiency as a starting point, and allowing the hours of labor to remain the same. This increase would mean an equal gain for the income of the nation. (3) The adoption of the ten hour working day for the whole laboring population of Germany would be secured.

The author proposes, for the realization of his ideals, that national trade-unions should be formed over all Germany; that these trade-unions, after previous inquiry into the demand, should produce in accordance with a common plan.

Interestingly written as Losch's book is, his practical suggestions appear to us much too far-reaching and not unquestionable. He is certainly right when he regrets the dissociated condition of many branches of production, and criticises the backward state of technical knowledge in the small industries. But if his ideals were realized, we should have to look out for new drawbacks. Through these national associations for production, all the small trades would be made impossible, and only large industry would survive. This would be a cause for regret on account of the numerous advantages which the small concern has in many branches of production. Individual taste would then have to yield to the uniform scheme of these centralized industries. And even then would Losch's plan do away with the chief evil, overproduction and speculation? Certainly not. The national unions should, indeed, calculate the public demand, but they would not be able to do so on account of the ever varying taste of the public. So long, at any rate, as the individualistic method of economy continues, such a correspondence of supply and demand cannot be attained: but in this great association, errors would have much worse consequences than in small industries. Therefore it seems better to permit the formation of trusts to go on more spontaneously, but not to regard the general spread of national trusts as exactly the panacea for all social ills. There is also great danger that these national trade associations would lead us directly into State socialism, since the State would not very long leave the regulation of national production to the officials of these unions. That the author is not altogether averse to such socialistic ideas is evidenced by his plan for agricultural production, which he thinks should be so conducted that the farmers should be subject, as regards the cultivation of the soil, to regulations emanating from a national agricultural commission. In fact, that would amount to State control of agricultural production.

KARL DIEHL.

[Translated by Ellen C. Semple.]

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*A Student's Manual of English Constitutional History.* By DUDLEY JULIUS MEDLEY, M. A. Pp. 583. London: Simpkin, Marshall & Co., 1894.



*The Elements of English Constitutional History.* By F. C. MONTAGUE, M. A. Pp. 240. Price, \$1.25. London and New York: Longmans, Green & Co., 1894.

The primary reason, as stated in the preface, for the existence of "A Student's Manual of English Constitutional History," is the scarcity of textbooks in constitutional history, and especially the scarcity of books dealing with the subject upon satisfactory lines. The line of treatment which has commended itself to our author, is the separate presentation of each of the great institutions of the English government. After an introductory chapter, in which is discussed the nature of constitutions and the different sources of the English constitution, and a chapter upon the relation of the land to the people, the first group of great institutions is sketched under the general title, *The Administrative*. Here are presented the Crown, the King's Council, Curia Regis, the Privy Council, the Cabinet, and the modern administrative departments. The next three chapters are devoted to the origin and history of legislative institutions. Two whole chapters are given to the House of Commons: one dealing with its forms and the other with its action. The other institutions sketched in separate chapters are those pertaining to the Administration of Justice, to Local Government and to Religion.

Montague's little book, "*The Elements of English Constitutional History*," covers the same ground, but instead of presenting separate sketches of the different institutions, the whole subject is set forth in chronological order. Mr. Montague's book is simpler and more elementary, and is addressed to a different audience. It is designed for the use of those who are beginning to read history.

Mr. Medley's book is addressed to the same class as the familiar work of Taswell-Langmead. The peculiarity of the new work lies in its separate treatment of the various legislative, executive, judicial and ecclesiastical institutions. A student of constitutional history wants to get a view of all the governmental institutions as they are unfolded together. This is the first and the most natural view. On this plan most constitutional histories have been written. Yet any student who has sought more than a superficial knowledge of the subject will testify that he has often found himself ransacking all histories at his command, from beginning to end, in order to trace certain specific institutions. Mr. Medley has done for the student what every careful student has tried to do for himself. He has given a full and lucid sketch of the various governmental institutions from the beginning to the end of the history. This necessarily involves a good deal of repeating. The administrative institutions are, in the earlier years and in part throughout, the same as the legislative, judicial and

ecclesiastical. Hence, the same institution appears in its three or four different capacities, and its history is traced in as many different relations. I am inclined to the opinion that this method of treatment will be found to be peculiarly helpful to the American student who has in his own government an easily distinguishable history for the separate legislative, executive and judicial institutions. The form of Mr. Medley's book ought to make it easier for the American to see that the English have not separate institutions in the same sense.

JESSE MACY.

*Les Luites entre sociétés humaines et leurs phases successives.* Par J. NOVICOW. Price, 10 fr. Paris: Felix Alcan, 1893.

This is a thick book, and makes very tiresome reading. The author undertakes to prove that conflict is the general law of the universe. It even begins, according to his view, among atoms and molecules. "The struggle among atoms will be eternal" (p. 6). This conflict is continued among the heavenly bodies, in our solar system, in the vegetable and animal kingdoms, and among men. Side by side with it there exists a tendency toward association. "Human hordes unite to form tribes; tribes form towns; towns combine into States" (p. 10). "There is nothing opposed to the assumption that, some time in the future, a great federation of States will take the place of the present order of things" (p. 11). In all associations the constituent elements continue the struggle. Every conflict, however, must end with adaptation to the whole, or with the elimination of that element which does not so adapt itself. Among men this conflict passes through several successive phases. Its first form is cannibalism; then follows slavery, pillage and political subjugation. In other words, the struggle among men passes through the alimentary, economic and political phases, and becomes in the end a mental conflict.

The author describes at length the different aspects of this conflict, and, in this connection, censures those who carry on war for the sake of riches. "War and wealth are antagonistic," since every war destroys wealth. The author rings in the changes on this thought in the most varied forms, in order to express his conviction that a better insight and more perfect wisdom must some day lead to doing away with war. "Political tactics have been, therefore, hitherto on the wrong road" (p. 236). Instead of waging wars, it would be better "to settle the political boundaries of States by the free agreement of the citizens" (p. 237). Then the basis of the different political territories would be nationality, which rests chiefly on similarity

of language and customs. In conflicts between nationalities, however, the State should not interfere.

The author devotes one part of his book (Part IV) to the phenomenon of solidarity. This is promoted by political administration, by security, justice, etc. He speaks in the next part (Part V) of the errors of modern political principles, which he finds "inconsistent and absurd" (p. 658), and he cites, as proof of his views, numerous incidents from modern history. He looks for an improvement resulting from the development of social science and from socialism. "Yes, it is the socialist party which is preparing for us a better destiny" (p. 737).

This is in brief the substance of the book. With its political tendencies the reader feels himself to be partly in accord, but the scientific method leaves much to be desired. It must always be prejudicial to objective investigation when the economist has the purpose of making the world better. The idea of doing away with war and dividing off States according to nationality is no new one, but it belongs in the realm of Utopias. In the case of the author, who is a Russian, it suggests that he would like to see all the European Slavs united under one government. Subjective desires such as this obscure the view of human evolution, which proceeds according to natural laws. Political tendencies such as this do not belong to science.

Mention should be made of yet another circumstance. Simultaneously with the appearance of this book, there was published in Paris, by Guillaumin, the French translation\* of a work by Gumpłowicz on "The Conflict of Races," a work which had come out in German ten years before. A French sociologist, Gustave Tarde, reviewed both these books at the same time in the *Revue Philosophique* of Ribot, and expressed his surprise that the two authors, *who did not know one another, agreed on so many leading points*. Now, it was impossible for Gumpłowicz, in 1882, to know the work of Novicow, which appeared first in 1893. But Novicow, in his reply to Tarde in the *Revue Philosophique*, acknowledges that he had read Gumpłowicz's book on "The Conflict of Races" in German, and states that he does not agree with some of the views expressed in it. Now, it is strange that he did not mention that book in his own work. If the book of Gumpłowicz had not accidentally appeared in French translation at the same time as that by Novicow, the similarity between the two works in many leading points would have quite escaped the French critics.

LUDWIG GUMPOŁOWICZ.

[Translated by Ellen C. Semple.]

\* "*La Lutte des Races*" traduit par Charles Baye. Paris: Guillaumin, 1893.



*National Life and Character ; a Forecast.* By CHARLES H. PEARSON. Pp. 357. Price, \$2.00. New edition. London and New York : Macmillan & Co., 1894.

Under this non-committal title, Mr. Pearson cloaks a most gloomy prophecy as to the future of society. The author opens his work with the statement that the white race cannot prosper outside the temperate latitudes, bringing forward as proof of this the unsuccessful attempts at colonization in Africa, Asia and South America. On the other hand, he says there is no more room for the race to increase within the temperate zone, for the ratio of land to man has already passed the point which is most advantageous for man. What is the necessary consequence? Is it not clear, that either the white race must become stationary and prevent the immigration of the lower peoples, in which case the final result will be an inability to compete with the overwhelming number of these cheap producers; or else, increasing in numbers without increasing in resources, the white must finally sink to the level of his outside rival? Into this latter alternative Mr. Pearson believes the race to have been already forced, and he sees a consequent lowering of moral tone, a tendency toward State Socialism, a decline in the arts, and a general tendency for the human race to become "fibreless and weak." This tendency, he continues, must increase, for the lower portion of our population is constantly gaining on the higher; cities are constantly multiplying at the expense of the country; in science and invention we have only the details to fill in; and from time to time each branch of literature presents some example so perfect that emulation is useless. Thus, one by one these branches are being closed to human effort, until, finally, man will be so weak that he will do nothing noble if he can, and the fields of legitimate ambition will be so closed that he can do nothing noble if he will. In other words, society has passed its high-water mark in intellectual, moral and physical development, and degeneration has already set in. Such is the conclusion which our author places before us.

There is a homely proverb to the effect that a long succession of dainties makes brown bread taste good. If such is the case, the many books which, like Kidd's "Social Evolution," emphasize man's constant progress toward a higher plane of civilization, must make one appreciate this gloomy forecast. Is it not possible that this contrast, aided by the excellence of our author's style, and the ready flow of arguments, may partially blind us to some things which can be urged in opposition? Granting that the white man is not at present a successful colonizer of the torrid zone, does it follow that such regions may not be used for his benefit? Mr. Pearson does not cite a single case of a

white nation which has maintained a vigorous life at home losing control of any tropical possession. On the contrary, the European powers are constantly extending their control. Even our author admits that it is in a great measure the government of the white race which allows the colored man to advance. Does it not follow, then, that the worst we have to fear is a series of Indias under white management? It is admitted that such control cannot be lost until the two races are equal; and so long as the white advances at home, he can remain ahead of the black in India; or if the colored man equals his teacher, then the same causes that produce a stationary order in the white will have a like effect on the black, and we shall see an equal race all over the world governed by the same conditions.

The only chance for Mr. Pearson's forecast being true is the lowering of the white race by a fall in its standard of living. This, he says, has already commenced. Man has begun to be crowded, he has looked to the State for aid, he is not to-day the equal of what he has been. In support of this position, which is the crucial point of the book, the author compares our leading statesmen, writers, inventors, etc., with those of the past. In this comparison he is a trifle unjust. He seems to hold in one scale the best representatives of two centuries' talent in literature, art and science and to expect the past fifty years to fill the other scale with the equals of these. Now, while we may not be able to produce the peers of all the great men from Shakespeare to Pitt our generation may be able to show as strong an array of talent as any like period of time. Although the leaders of to-day may not stand out so prominently above their fellows as did the leaders of previous epochs, can not the reason be other than the one Mr. Pearson assigns? The average of society may be higher, and if so a man must be far abler now than one hundred years ago to occupy the same relative position. If we have no men who stand out from their fellows as did Pitt, Mirabeau or Hamilton, we have parliamentary leaders whose store of information and shrewdness is no less than theirs was. The person who looks to see in the present the exact copy of the past is sure to be disappointed. Progress moves in waves, no two being alike, and only every seventh wave is a great one. Not only should these facts be considered, but we must remember the difficulty of judging one's own contemporaries. It is possible that some second Mr. Pearson, writing in 1950, may think that an age which produced statesmen like Bismarck and Beaconsfield, military leaders like Von Moltke and Lee, orators like Gladstone or Blaine, historians like Von Sybel and Parkman, not to speak of leaders in other departments of knowledge like Spencer, Proctor or Browning was not wholly inferior to some previous epoch.

There is no need of great inventors or scientists, the writer claims, for there is nothing left to learn or invent; moreover the present generation does not encourage inventors as did the last century. Now, in a way, this is safe ground, for inventions cannot be foretold, yet it might be instructive to note the effect on Mr. Pearson's whole argument should Mr. Galton succeed, with the aid of artificial ice, in making the tropical zone habitable for the white man, a thing which he considers extremely possible. Nor is it hardly fair that an age which sees capitalists eager to put their money behind a successful inventor and magazines offering their best assistance in furtherance of his efforts, should be considered hostile to invention. Was it not about a century ago that Fulton offered his steamboat to Napoleon, and the man who only needed control of the English Channel to be master of the world laughed at him? Can Mr. Pearson furnish a more marked case to-day?

Finally, if all of our author's argument should be admitted, is there not reasonable doubt as to the truth of his premises? When we compare America and Australia with England or France, and reflect on the fact that they could be self-supporting countries if need be, we must admit that, even with the present habits of life maintained, there is much room for the expansion of population. What could be done if those habits were changed! Omitting all considerations as to the substitution of electricity for horse-power, and the consequent increase in our supply of grain, we must ask ourselves, Has the limit of population been reached when enough land is wasted in the production of whiskey to support millions? Can our author maintain that the world is able to support no more people, when our existing resources are not utilized to the best advantage? I do not speak of the increased powers of production which some economists maintain will result from a greater variety of consumption, but merely of our existing supply. Is it not possible that the very increase of power by the central government, which Mr. Pearson laments, may prove a blessing if it leads to a substitution of national for individual prosperity? Even should the lower races flood the temperate zone, there is no reason to suppose that a civilization might not result which would be the equal, or even the superior, of our own. We have seen remarkable progress on the part of the black race in our own country, yet greater on the part of the yellow race in Japan; and all within thirty years. What could we not expect in three hundred? Should not a considerable share of our prosperity be attributed to the temperate climate in which we live? Our Saxon and Frankish ancestors were on as low a plane of civilization as are the black and yellow races of to-day. But the issue is far broader than the mere increase of some low types of character. It is



simply this : Shall the world, which has thus far been growing better, be turned from this path and go downward? Mr. Pearson himself who, tells us in his introduction, that the most conspicuous examples of false prophecies are taken from those made by eminent statesmen. May we not hope that the forecasts of our poets who occupy, in our generation, the position held by the older race of prophets, are more nearly correct than is this despondent prediction of an eminent Australian statesman !

While our author has given us a work with whose conclusions there may be honest differences of opinion, there can be no doubt that he does call attention to forces in our civilization which are too often neglected. If Mr. Pearson succeeds in turning society from a glorification over its prosperity to an attempt to remedy its imperfections, we may well thank him for his efforts.

C. H. LINCOLN.

Philadelphia.

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*Eight Hours for Work.* By JOHN RAE. Pp. 340. Price, \$1.25.  
London and New York : Macmillan & Co., 1894.

The purpose of the book is well expressed in the following extract from the preface : "I was led to undertake the following inquiry, because I could find no solid bottom in any of the current prognostications, favorable or unfavorable, as to the probable consequences of a general adoption of an eight-hours working day. They were all alike built on a little stock of assumptions about the natural effects of shorter working hours, which nobody seemed to think it necessary to verify. . . . It seemed, therefore, that if we wanted to know what was to happen now, the best way to begin was to find out what had happened before." The author finds that "the available evidence is unexpectedly copious, and its teaching is unexpectedly plain and uniform." The book seems to fully justify these two statements. The number of experiments made with short hours is certainly surprising, and their result still more so.

The effect of short hours on production is first considered. Most writers, even the friends of the movement, have usually assumed, with Professor Marshall, that production would be lessened considerably, if not proportionally, by a change from nine or ten hours to eight, and further, that the loss would be greatest where most automatic machinery is used ; and finally, that if production were maintained at near the old rate during the trial period, it would decline after a few months when the workmen considered the case settled. Experiment in a great variety of industries seems to prove all these

fears groundless. Production has hardly decreased ; it has decreased as little with automatic machinery as without it ; and it has almost always been larger after a year or so than at first. The author concludes that the longer working day has been excessive ; that it has deteriorated the mind as well as the body to the detriment of quantity and quality of product, machine work suffering by interruption and mismanagement ; and finally, that a reduction of hours results in a slow but considerable improvement of the laborer's efficiency, with corresponding effect on the product. Many will view these results with incredulity, but it will certainly be difficult to discredit them, for the author has taken the precaution to consider all evidence on the question, no matter what its tendency.

Evidence is also collected as to the use which the working man makes of his leisure. The result is less conclusive, but, on the whole, encouraging. He not unfrequently makes a better use of the longer leisure because it is more usable. Mr. Rae believes that it has been regularly favorable to temperance, and finds that the liquor dealers have opposed the shorter day.

Perhaps the best thing of the book is the discussion of the favorite argument in favor of the eight-hour day, that it will furnish work for the unemployed. This the author declares to be a chimera. If the shorter hours do not seriously curtail production, they, of course, leave the unemployed where they were before. But even if it did, it would not help them. The favorite argument is, that to curtail production would leave demand as before, and more men would be called in to keep up the supply, and wages would rise because of scarcity and the absence of the competition of the unemployed. This sophistry is admirably exposed. To curtail supply may leave *want* unchanged, but not demand. Demand is an offer of goods for goods, and if there are less goods to bid for, there are just so many less goods to offer for them. Demand is not only proportional to supply ; demand *is* supply looked at from another side. If industry could absorb the unemployed under an eight-hour day, it could do so under a ten-hour day, since it is the product of labor that pays the wages of labor. This conclusion is confirmed by the fact that, when hours were greatly reduced by the English Factory Acts, the unemployed did not diminish. This fatuous belief, that to reduce production would raise wages and increase the employment for labor, the writer declares to be the greatest obstacle to the proposed reduction. A chapter on the significant experience of the colony of Victoria and one on industrial legislation complete the book. The writer favors a cautious use of legislation to accomplish the reform, the inertia of employers rendering it otherwise impossible.

The book is almost a model. It is conspicuous for candor and good judgment, and combines acute analysis with painstaking research.

H. H. POWERS.

*The Life and Times of James the First, the Conqueror, King of Aragon, etc.* By F. DARWIN SWIFT, B. A., formerly scholar of Queens College, Oxford. Pp. xx, 311. Price, \$3.25. London and New York: Macmillan & Co., 1894.

This is an historical monograph of a kind which, unfortunately, is much less common in English than it ought to be. Mr. Swift has divided his work into two parts, Political History and Social History, an arrangement which necessarily involves some repetition yet which is justified in this instance. Owing to the uncritical character of previous accounts in English of this period of Spanish history, the author's first task was to discover and present in succinct form what actually happened during the life of James. This he has done in his first part. A more appropriate title for this division of the work would have been "The Annals of the Reign of James I." reserving for Part II the title Political and Social Institutions.

Part I, like all annals, is very dry reading, but the critical care that has been expended upon it, and the thorough study of the sources printed and unprinted upon which it is based, give it a permanent value as a work of reference.

The six chapters of Part II discuss the Administrative System and Legislation of James, Finance, Commerce, the Church, the Jews and Saracens, Literature, Science and Art. There are also several appendices, a small collection of documents, a good index and a very serviceable Bibliography. In the latter, however, one is surprised to find Condé's utterly untrustworthy *Histoire de la Domination des Arabes et des Maures en Espagne* and to miss Dozy's *Recherches* and Mueller's *Der Islam im Morgen- und Abendland*. The student of economic history will turn first to the chapter on "Revenues and Commerce." It is the best collection of facts accessible in English on the trade and industry of the Eastern Mediterranean peoples in this period, yet it is not so complete as it might be. In the literature of the subject Mr. Swift has overlooked Heyd's *Geschichte des Levant-handels* and Ebert's *Quellenforschungen aus der Geschichte Spaniens* of which the chapter: *Zur Verfassungsgeschichte der Stadt Barcelona im Mittelalter* is important for his purpose. James' Navigation Law of 1227 is described as restricting the traffic with Egypt to "ships of Barcelona alone to the special exclusion of foreign vessels," but reference to the proclamation as given in Capmany II, p. 11 (the



reference is misprinted p. 4) shows that the law provided merely that when Barcelona vessels were in port freight must be shipped by them. In the absence of Barcelona vessels, those of other cities might be employed.

The appendix on "The Currency" is disappointing. It should have contained a discussion of the value of the coins mentioned in the body of the work. As it is, Mr. Swift falls into a serious error, p. 45, in estimating the value of a ransom. He rates the besant at 4*d*. The gold besant was worth about the same as the gold florin (about \$2.40) and the silver besant is estimated by Muratori at two-thirds that amount or about \$1.60. Capmany approved a valuation of the silver besant, in 1276 at 3½ *sols*. Taking Mr. Swift's valuation of the *sol* at 1*s* 5*d* we get \$1.20 for the value of a besant, or at least fifteen times greater than Mr. Swift's estimate. The map should have represented Eastern Spain, as it was in James' time, not as it is to-day. Most of these minor defects can be easily corrected in a second edition and should not be unduly emphasized. The work as a whole commands respect and confidence by the thoroughness of the research and the solidity of the scholarship which its pages reveal. It is to be hoped that Mr. Swift will continue his work in *Mediæval Spanish History* for English historical literature in that field is singularly deficient.

EDWARD G. BOURNE.

Adelbert College, Cleveland, Ohio.

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*Geschichte des antiken Kommunismus und Socialismus.* By ROBERT TÖHLMAUN. I. Band. München: Beck, 1893.

The title of this book does not correspond strictly to the contents, which offer more than that would indicate. We have to do here not simply with an historical, but also with a politico-social work, in which the historical foundation serves merely as the occasion for developing the author's philosophical and politico-social views. The author does this by continually bringing the socialistic and communistic theories of antiquity and modern times into juxtaposition, and comparing them.

The first chapter, in which he criticises the theories and traditions of the original communism of the older Greek States, is very interesting. All the information from the old writers, as well as the opinions of modern investigators, relative thereto, are made to pass in review before him; and he arrives at the conclusion that the supposed primitive communism in no case proves itself to be historically worthy of credence. In fact, the hypotheses of primitive communism are "phenomena of the human mind, which are accustomed to manifest themselves spontaneously as the logical consequence of certain human experiences, stimulating to the formation of new ideas. In all times

of agitation, in which the existing social and political order no longer meets legitimate needs and desires, and therefore begins to go to pieces, we are met by this reaching out from the disintegration going on in the life of the present, into the world of the ideal." In this respect, however, the fourth century before Christ in Greece was very similar to the present age. Then, as now, communistic and socialistic theories sprang up as the result of the excessive development of the capitalistic organization of society; and then as now there was a tendency, in order to claim for these an historic authority, to set up hypotheses, according to which under primitive conditions communism and socialism were declared to be the rule. Sober and objective investigation, however, does not confirm these hypotheses.

In the second chapter the author takes up the individualistic disintegration of society and the reaction against this disintegration in political and social philosophic theory. In Greece during the fourth and third centuries the unfortunate opposition between capitalism and pauperism appeared in the shape of unrestrained exploitation and grasping speculation, and the bitterness and mutual restraint of the different social classes which came of envy and hate. While these evils were being defended in the individualistic philosophy, there arose an idealistic social philosophy whose purpose was to introduce a better social order.

In the third and fourth chapters, the last of this volume, the author next lays before us "plans of organization for the construction of a new system of State and society." He particularly discusses the chief works of Plato, his "Republic" and "Laws." Although there already exists a whole literature on the subject of these two works of Plato, the author succeeds in putting them before us in a new light. In the first place, he views them in their connection with the existing economic conditions of Plato's time, to which they stand as a contrasted picture; and in the second place, he puts the demands of Plato's time parallel with the socialistic and communistic demands of our time. This juxtaposition is particularly instructive, for it shows us how socialistic and communistic theories and agitations are nothing more than a kind of social and psycho-social reflex-action which is produced in all times and places by the excessive abuses of capitalism.

His contrast of the two works of Plato is also interesting. One of them, the "Republic," points to the impetuous progressiveness of Plato's spirit, when the still immatured philosopher failed to take into account the social necessities which control the life of men; while in his "Laws" he is careful to regard these necessities. It is the eternal contrast of youthful impetuosity with the maturer judgment of more advanced years which manifests itself in these two works.

In conclusion, the author discusses briefly the "social universal state of Zeno, the founder of stoicism," in which "the utopian element in socialism, its irrepressible tendency to lose itself in boundless perspectives, has found the purest expression imaginable."

It is with great interest that the scholarly world will look forward to the continuation of this historical and politico-social work.

LUDWIG GUMPOLOWICZ.

[Translated by Ellen C. Semple.]

*History of Taxation in Vermont.* By FREDERICK A. WOOD, Ph. D. Columbia College Studies in History, Economics and Public Law, Vol. IV, No. 3. Pp. 128. Price, 75 cents. New York: Columbia College, 1894.

Students of public finance have reason to be pleased with every such addition as this to our scanty literature on the subject. The work before us is scholarly and, as far as it goes, thorough and exact. It seems a little unfortunate that it should have been limited to the subject of taxation. The work could easily have been extended to cover the entire history of public finance in that State, and would then have covered topics of far more importance than that of taxation. The history of State and local expenditure in Vermont would have proved most interesting. In the matter of collecting revenue there is little that is original or peculiar in the history of this commonwealth. But in the matter of expenditure there is much such. In the first place, the administration, compared with that of other States, has been unusually honest. This is due in part to the Puritan origin of the people and their habits of economy and thrift, and even more to the fact that temptation was less in as much as the sums handled were smaller. In the second place, the Legislature stands very close to the people, for although Vermont has only 350,000 inhabitants, the lower House has nearly five hundred representatives. Thus the history of State, as well as local, expenditure in Vermont would be the best example we could find in the United States of an honest attempt to get as much as possible for the outlay along the few lines that appeal to the people as a whole as wise and necessary.

The central feature of taxation in Vermont is the "Grand List." This originated in the attempt to extend the principle of the poll-tax (namely, uniformity per unit), to other units, as property, and in certain cases income. Thus the "list" at first contained polls rated uniformly at £6; the different kinds of farm stock, also rated uniformly, as, for example, a four-year-old steer at £4; money or bills



due rated in the same way as, for example, £6 for every £100, and, lastly, improved land at the uniform rate of 10s per acre. While lawyers, merchants and artificers were also rated in proportion to their gains. The prevalent theory justifying taxation at that time was that of protection furnished by the government. In accord with this theory the "Grand List" gradually developed into the general property tax; so that after 1819 real estate and after 1842 all other property was taxed according to its market value, instead of being listed at uniform rates. The thrifty, saving habits of the people turned all income into property so soon that the income element was in time regarded as superfluous and abandoned in 1876.

Vermont found the same difficulty that appears everywhere in administering the personal property tax. In 1880 the method of procedure was sharpened. Sworn declarations may be demanded, the banks are required to report to the assessors, etc. But this is still not all that could be desired. In order to remedy in some measure inequalities in valuation between the different towns, the corporation tax was introduced as a source of State revenue. But the State still depends on the "Grand List" for the elastic element in its revenues.

Local taxation, which in general follows the lines of State taxation, is only briefly treated in the monograph before us.

CARL C. PLEHN.

#### NOTES ON ECONOMICS.

The surest indication that political economists at length begin to feel their feet resting upon the solid ground of ascertained truth is found in the retrospective turn which the literature of the science has lately taken. In studying the works of the classical economists the aim is not now, as it was formerly, to judge their theories by some absolute standard of our own, but rather to discover how those theories were connected with the past, and in how far they served to explain contemporary economic phenomena.

As the editor of the letters exchanged by Ricardo and Malthus, and the author of the book, "Malthus and His Work," Mr. James Bonar has already made substantial contributions to this new form of critical literature. Quite recently he has earned the gratitude of all reverent students of the "father" of political economy by editing a catalogue\* of the library of Adam Smith.

\* *A Catalogue of the Library of Adam Smith*, author of the "Moral Sentiments" and the "Wealth of Nations," edited with an introduction by JAMES BONAR. Pp. xxx and 126. Price, \$2.25. London and New York: Macmillan & Co. 1894.

The statement has frequently been made that there is no new idea to be found in the "Wealth of Nations." By the aid of this catalogue students are now in a position to determine from what sources Adam Smith actually did draw his ideas, or at least such of them as came from books in his own possession. The "Catalogue" is very carefully compiled, and contains, besides a list of the works in the library, much other information of interest and value.

It appears from the introduction that upon Adam Smith's death his library passed to his cousin, David Douglas. The latter died in 1819, dividing the library between his two daughters, Mrs. Cunningham and Mrs. Bannerman. The half going to Mrs. Bannerman, numbering 1400 volumes, has been preserved intact, though in two different places, while what remains of Mrs. Cunningham's half is now scattered through half a dozen and more private and public libraries. The library is estimated to have contained at the time of Adam Smith's death 3000 volumes. The present catalogue includes about 1000 entries and refers to 2200 volumes, or something over two-thirds of the whole collection. Besides the introduction, the book includes a reproduction in lithograph of an interesting letter from Adam Smith to his publisher, Strahan, a list of Adam Smith's works, a copy of his last will and testament, a plan of the house in Kirkcaldy, in which he lived while writing the "Wealth of Nations," and some interesting notes upon portraits of Adam Smith.

About one-fifth of the books catalogued are on literature and art, one-fifth consists of the works of classical authors, one-fifth treats of law, politics and geography, one-fifth is divided in about equal portions between history and political economy, and the remaining fifth consists of works on science, philosophy and biography. More than one-third of the books are in English, a little less than one-third are in French, and the balance are in Latin (one-fourth), Italian and Greek. German is represented only by presentation copies of translations of Adam Smith's own works.

As a man of affairs is known by his friends, so a student is known by his books. This catalogue bears eloquent testimony to the broad sympathies and well-balanced mind of the owner of the books which it enumerates. Examining more in detail the 220 volumes treating of political economy, we find that the library contained most of the important works that had appeared before 1776. Mun, Child, Law, D'avenant, Hobbes, Locke, Berkeley, Stewart, Hume, Quesnay and Dupont are represented by their best known works. The writings of Petty and North do not seem to have been in the library. Likewise Turgot's "*Reflexions*" does not appear in the catalogue, confirming, as far as it goes, Cannan's opinion that Adam Smith was unfamiliar

with this most important fore-runner of his own, "Wealth of Nations." In addition to the mere list of titles, the catalogue contains interesting literary references, throwing light upon the use Adam Smith made of his library and enhancing greatly its own value. Altogether the work of editing is done with the painstaking care that was to be expected from Mr. Bonar, and the publishers have exhausted the resources of the book-makers' art to make the catalogue a valuable addition to the library of every political economist.

That America does not lag behind in this revival of a critical study of the classical English economists is shown by the fact that the Macmillans are about to publish a series of "Economic Classics," to be edited by Professor W. J. Ashley, of Harvard University. This series will include works of three classes: (1) Select chapters from the "classical" economists, beginning with Adam Smith, Malthus and Ricardo. These are designed especially for use in the class-room, and will be careful reproductions of the most important parts of such works as the "Wealth of Nations," the "Essay on Population," etc., which every student should know at first hand. (2) Reprints of older English works, such as those of Mun, Child and Petty. (3) Translations of important foreign treatises. Among the older writers under consideration for this class are Roscher, von Thünen and Hermann. To these will be added a few translations from more recent authors of eminence.

The volumes of this series will be printed in 12mo, with neat, flexible, dark-blue covers, and will be issued at the uniform price of seventy-five cents. The number of pages will vary from one hundred to two hundred and forty. The appearance of those volumes, containing the selections from Adam Smith, Malthus and Ricardo, is promised in the immediate future. There is no student who has used "*la petite bibliotheque économique*" of Guillaumin who will not hail with pleasure the appearance of a similar English series. One may well ask why such an enterprise had not been undertaken long ago.

Another indication that political economy feels itself upon firmer ground than at any time since flaws began to be discovered in John Stuart Mill's system, is found in the increasing demand for elementary textbooks on the subject. Various more or less successful attempts have been made to satisfy this demand, either through abridgments of larger works or through independent treatises. One of the latest is Professor A. B. Woodford's "Economic Primer,"\* of which the advanced sheets have just been received.

\* *The Economic Primer, a Summary of the Philosophy of Lower Prices, Higher Wages and Shorter Hours* (elsewhere styled, "Gunton's Economic Philosophy"). By ARTHUR BURNHAM WOODFORD, Ph. D., Professor of Economics and Politics at the School of Social Economics. Pp. 166. New York.



The main body of this work is divided into seven chapters, of which the first three treat of the "Principles of Production," and the last four of the "Principles of Distribution." These are followed by chapters on "Questions of Economic Policy," in which protection, trades-unions, taxation, trusts, etc., are to be discussed, and the work will conclude with a "History of Economic Theory." These last two parts have not yet appeared. The most characteristic feature about the "Economic Primer" is the disproportionately large space given to the subject of distribution, and in this it no doubt accords with the popular demand. Wages are treated as the costs of production, while rent, profit and interest are regarded as parts of the social surplus. Capital is not the result of abstinence, but the result of production and the decision on the part of the producer that his economic advantage is to employ his product in further production rather than to consume it. Economic progress is in the direction of lower prices, higher wages and shorter hours of work; *i. e.*, of increased per capita consumption and decreased per capita costs. In the "Economic Primer" these fundamental points in Gunton's system are explained with great clearness, and in language whose simplicity will commend the work to teachers. It may be doubted, however, whether the "Primer" fulfills in other respects the demands which the general student will make of an elementary textbook. Instead of confining itself to the sure ground of political economy, it takes much for granted that an elementary treatise ought to explain in some detail, and plunges at once into a discussion, easily followed, to be sure, of problems which must still be considered as lying within the disputed border territory of the science. But this is not a criticism of "A Summary of Gunton's Economic Philosophy," but rather a regret that this "Economic Primer," with all its merits, is not the "Elementary Treatise on Economics" for which we are all impatiently waiting.

Much more satisfactory is Cannan's "Elementary Political Economy,"\* which appeared some years ago in England, but has attracted very little notice in this country. This is really an *elementary* treatise, and has the additional merit of avoiding, for the most part, controversial questions. The book is divided into three parts, as follows: (1) general material welfare; (2) individual welfare under private property; and (3) the promotion of public welfare by the State. In the first part is discussed in a very general way the relation between industry and welfare, with a glance at the part played by property and population in determining the productiveness of labor. In the second part the author considers exchange, credit, value and the problem of

\* *Elementary Political Economy*. By EDWIN CANNAN, M. A. Pp. 152. Price, 1s. London: Henry Frowde, 1888.

distribution in a suggestive and original manner, and, finally, the third part discusses the rôle played by the State in industry, protection, State enterprise, taxation, etc. Few American readers will be satisfied with Mr. Cannan's book, owing to its intensely English bias, but nevertheless it is probably the best elementary presentation of the subject that has yet been attempted.

HENRY R. SEAGER.

*University of Pennsylvania.*

## NOTES.

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SIX LECTURES, by President Andrews, delivered before the students of Hartford Theological Seminary are reissued for the general public.\* They deal with economic problems, but in their relation to ethics. In this borderland where sentimentality usually obscures all true relations President Andrews is easily first among the writers of our day. To a remarkable clearness of logical analysis he joins a lucid and forceful literary style which doubles the effectiveness of his thought.

He boldly asserts that the existing automatic (rather than natural) industrial order is not necessarily good or bad. Its moral character comes from conscious acquiescence in or interference with it. This act men should decide upon by a study of results with no prepossessions about harmony of interests or otherwise. Such a study he proceeds briefly to make. The present competitive order has had at least a relative justification, having furnished us the incentive for an unprecedented progress. It is not clear that this incentive to invention and energy could have been supplied otherwise than by competition.

But think of it as we will, the competitive order is passing away. The writer believes that there is no industry in which competition is not destined to be replaced by monopoly, though competition in some lines will long continue. With remarkable force he argues that the monopoly régime lacks the one redeeming characteristic of competition, its progressiveness. The moral aspects of monopoly are dispassionately discussed, and it is impossible to resist the author's conclusion that the prospect is forbidding. The following chapters on Economic Evils as aided by Legislation, Economic Evils Due to Social Conditions and Socialism leave nothing, but elaboration to be desired. Socialism is declared to be impracticable and government regulation difficult, and both for the reason that the moral development of men is as yet incapable of furnishing the necessary incentives and guarantees. And yet that regulation is necessary is now beyond question. Competition was a crude, but real regulator and its disappearance leaves the many at the mercy of the few. An indefinitely better regulation is possible if there is sufficient moral cohesion among men.

\* *Wealth and Moral Law.* By E. BENJAMIN ANDREWS. Pp. 135. Hartford Conn.: Hartford Seminary Press, 1894.



Is there this cohesion, this character? The awful possibilities suggested by this question are considered in the chapter on Weal and Character.

It is doubtful whether the students of a theological seminary often listen to so valuable a course. The book is solid, thoughtful, sympathetic, combining the prudence and progress of our day at their best.

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PROFESSOR ROBERT FLINT published some twenty years ago his well-known "History of the Philosophy of History." This comprised in a stout octavo volume an account of the development of historical speculation in France and Germany, the author promising a succeeding volume upon England and Italy. Dissatisfied with his original presentation the writer has recently issued a radically revised edition \* of that portion of his work which related to France and now intends to devote separate volumes to German, Italian and English speculation, respectively. He justly maintains that in few, if any, spheres of activity are national tendencies and characteristics more clearly discernible than in that of historical thought; he hopes that this and the succeeding volumes will be found to be to some extent a contribution to the history of France, Germany, Italy and England as well as to the philosophy of history. A comparison with the first edition shows a great extension of the scope of the work, since the portion devoted to France has been fully doubled in size. The introduction has been increased from sixty-two to 172 pages. The materials have been differently classified, as a natural outcome of more careful study. We no longer find the names of individual thinkers at the head of each chapter, but a series of headings which lends itself to a philosophical rather than a personal arrangement. The nineteenth century occupies half of the volume. "The Ultramontanist and Liberal Catholic Schools," "The Socialistic Schools" (Buche and L. Blanc), "The Spiritualistic Movement" (Cousin, Guizot, De Tocqueville), "The Democratic School" (Michelet, Quinet), "The Historical Philosophy of Naturalism and Positivism" (Comte, Rénan, Taine)—these headings illustrate the author's general order and method of treatment.

Professor Flint's work is extremely helpful to students of history and interesting to the general reader, and it is to be hoped that the publication of the rest of the work will not be delayed.

\* *History of the Philosophy of History, Historical Philosophy in France and French Belgium and Switzerland.* By ROBERT FLINT. Pp. 706. Price, \$4.00. New York: Charles Scribner's Sons, 1894.

NO SINGLE MAN during the first phase of the French Revolution is so worthy of study as Mirabeau. His life before 1789 while romantic in the extreme serves as an excellent illustration of certain of the most characteristic aspects of the Ancien Régime. Professor v. Holst has therefore done the public a great service in presenting, in his vivid yet scholarly lectures, the chief features of Mirabeau's career.\* Few have the time to read Lomenie's five volumes or even the shorter biography of Stern. Professor v. Holst gives numerous examples of Mirabeau's wonderful political insight by extracts from his well-known correspondence with La Marck, and more than justifies the attempt to present the leading tendencies of the revolution by reproducing the aims and criticisms of the greatest statesmen of the period. In no other way perhaps could so much have been crowded into twelve lectures. The author's apology for certain peculiarities of style as admissible in speaking will be readily accepted. We can only wonder at the masterly command of English shown in many an eloquent passage. A large number of notes have been added in printing the lectures, which greatly enhance the value of the volumes.

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DAVID KAY'S "Education and Educators" † is a contribution to the general literature of education and discusses the following topics: The Several Meanings of Education; The Nature and Importance of Education; Hereditary Effects of Education; Education and the State; Education and Religion; The Different Kinds of Educators. The author presents an easy and interesting running discussion of each of these topics. But the most valuable and characteristic feature of the work is the rich collection of opinions, on the above topics, of almost all the celebrated thinkers from Aristotle to Dr. W. T. Harris. If any one wishes to be posted on these topics he should consult this most extensive collection of educational opinions published in the English language. The book is blessed by a twenty page index.

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PROFESSORS LAVISSE AND RAMBAUD have issued the third volume of their general history, ‡ covering the period 1270-1492. Probably

\* *The French Revolution tested by Mirabeau's Career*. Twelve lectures on the History of the French Revolution, delivered at the Lowell Institute, Boston, Mass. By H. v. HOLST. 2 vols., pp. 258 and 264. Price, \$3.50. Chicago: Callaghan & Co., 1894.

† *Education and Educators*. By DAVID KAY, F. R. G. S. Pp. 490. Price \$1.50. Syracuse, N. Y.: C. W. Bardeen, 1893.

‡ *Histoire Générale du IV<sup>e</sup> Siècle à nos jours*. Ouvrage publié sous la direction de MM. ERNEST LAVISSE et ALFRED RAMBAUD. Tome III. Pp. 984. *Formation de grands Etats, 1270-1492*. Paris: Colin et Cie.

none of the volumes will offer more difficulty than this, dealing as it does with a neglected transitional epoch which has been looked upon as too modern for the student of mediæval, and, most unwisely, as too remote for those dealing with modern history. France occupies a third of the volume, a long chapter being devoted to French civilization, prepared by such distinguished writers as Petit de Julleville, E. Müntz and Levasseur. A very weak chapter follows upon the church and the Papacy. The writer, M. Ém. Chénon, seems to have no conception of the importance of his task, giving us the most commonplace description of this great crisis in the history of the mediæval church. The German affairs are briefly dealt with by G. Blondel. Professor Rambaud gives us a chapter of seventy-six pages on the end of the Eastern Empire, while Italy and the Renaissance is treated within a compass of less than ninety pages. The bibliographies appear to be carefully compiled, and form a most useful feature of the work.

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SENATOR LODGE is always sure of a reading public, because his writings, whatever their faults, never lack vigor and originality. Two of the eight essays in the volume of "Historical and Political Essays"\* appear in print for the first time. The essay on William H. Seward is a corrective of the too common impression, based upon a single circumstance in 1861, that the bold foreign policy of Lincoln's Secretary of State ever degenerated into rashness. The chapter on Gouverneur Morris, together with Roosevelt's admirable biography in the American Statesman series, gives the only satisfactory character sketch in existence of a man whose services to the infant republic have never, until recently, been either known or appreciated. The best of the historical essays is a successful effort to make James Madison less lonely in our political history.

The political essays of the volume, if less convincing, are no less interesting and original. The chapter on the distribution of intellectual ability in the United States, based on the best of our biographical cyclopædias, will not be accepted as a final word by those who understand the conditions under which, in America, such volumes are prepared. Of parliamentary obstruction and parliamentary minorities in the United States, the essayist writes, of course, as a partisan; but after the record of the latest Congress, few will take issue with him. The essay on party allegiance, first given as an address before the Harvard University students, is the *apologia pro vita sua* of a man who stood by his party when older and more

\**Historical and Political Essays*. By HENRY CABOT LODGE. Pp. 213. Price, \$1.25. Boston and New York: Houghton, Mifflin & Co., 1892.



eminent men were deserting. Never before, perhaps, has Senator Lodge let so much of his best self at his best moments shine forth. The Mugwump reader of this last chapter in the volume, and of Theodore Roosevelt's recent article in *Harper's Weekly* concerning the essayist, may continue to question the wisdom of party adherence through thick and thin.

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IN THE "Englishman at Home," \* the author describes, in a popular manner, the principal political and the social institutions of England. He keeps constantly before the reader the English citizen's relations to these various organizations, his part in them and their influence upon him. The first chapter he devotes to municipal government, describing briefly the various local bodies. He gives a short history of their development and explains their present functions. In the second, third and fourth chapters he treats in like manner "The Poor Law and its Administration," "National Elementary Education" and "The Administration of Justice," respectively. Chapter five gives an exceedingly brief account of "Imperial Taxation" as it exists to-day. He wisely avoids any attempt at an historical treatment. Chapter six deals with "Parliament and the Constituencies." Commencing with a short historical account of the extension of the suffrage, the author follows this with a very good description of "Local Political Organizations, Nomination of Candidates, Elections, etc." Under the heading, "Parliament at Work," chapter seven gives a description of the organization of the two Houses, their attitude toward each other and their reception of the speech from the throne. He follows this by an account of the course of legislation from the introduction of a bill until it receives the royal sanction. These two chapters on Parliament are the most completely and satisfactorily treated of any in the book. The author shows intimate acquaintance with this phase of English life. In the remaining six chapters are treated respectively, "The State Departments," "The Church of England and Non-Conformity," "The Military, Naval and Civil Services," "Labor Legislation," "The Land and its Owners" and "The Daily Press." These subjects are all treated concisely and discuss chiefly present conditions. At the end of the volume are placed fourteen appendices, giving in tabular form the cost of local government and other useful information.

The book adds nothing new to what had been previously published. The same ground had been well covered by "The English Citizen" series and also by Dr. Todd's excellent work.

\* *The Englishman at Home, His Responsibilities and Privileges.* By EDWARD PORRITT. Pp. 355. Price, \$1.75. New York: T. Y. Crowell & Co.

STUDENTS OF AMERICAN political institutions will find an interesting bit of history in Mr. Shambaugh's account of the "Claim Association of Johnson County, Iowa." \* The settlers of this county having entered upon their claims before the land was offered for sale were for several years without the pale of civil institutions. They organized a "Claim Association" which lasted from 1839 till 1843, when the lands were opened for sale. The Claim Association was, thus, a temporary government established by frontiersmen to meet their peculiar needs. The student of sociology as well as political science may well consult Mr. Shambaugh's reprint of the "Constitution and Records" of this association of Iowa's early settlers.

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PROFESSOR GOLDWIN SMITH has revised and enlarged his "Essays on Questions of the Day." † There are no changes of opinion to be found. The essays have been brought up to date; new illustrations and in several instances new arguments based on late events have been added. The preface is interesting for the attention given to our recent industrial disturbances such as Coxeyism and the Pullman strike. He commends the stand taken by President Cleveland. One sentiment in his preface deserves quotation. "We must not forget the origin of these troubles. Dishonesty in the high places of commerce, illicit speculation, watering of stocks, want of integrity in the management of railways, the derangement of currency for a political purpose were sources of the financial crisis from which industrial disturbances flowed, and are as much to blame as the malignant ambition of the labor demagogues who gave the word for the strike." The opening essay of the first edition "Industrial and Social Revolution" has been divided. The part treating Bellamy's book has been given the title "Utopian Visions." "Woman Suffrage" has been strengthened. The actual enlargement by count of this edition over the first is thirty-two pages of additional matter.

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A SECOND REVISED edition of Villari's "*Niccolò Machiavelli ei suoi Tempi*" ‡ is being published. The first volume, embracing that

\* *Constitution and Records of the Claim Association of Johnson County, Iowa.* With Introduction and Notes. By BENJAMIN F. SHAMBAUGH, A. M. Pp. 196. Published by the State Historical Society of Iowa, Iowa City, Iowa, 1894.

† *Essays on Questions of the Day, Political and Social.* By GOLDWIN SMITH, D. C. L. Second edition, revised. Pp. xv, 384. Price, \$2.25. New York and London: Macmillan & Co., 1894.

‡ Milano: Hoepli.

portion of the work contained in the first two volumes of the English translation of the first edition, has appeared. The second and third volumes are in press. No essential changes appear to have been made beyond corrections and the addition of two of Machiavelli's letters to those in the appendix of documents.

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IN HIS STUDY of "The Inheritance Tax,"\* Dr. Max West gives a summary statement of all the inheritance taxes that have been levied between the imposition by the Emperor Augustus in the year 6, A. D., of what is supposed to have been the first one, and the California inheritance tax law of 1893. He shows that nearly every European country has this form of taxation, the differences between the laws of various countries being mainly in rates. Twelve States in this country levy such a tax, the rate varying from two and a half to five per cent. In the latter part of the book the various theories of taxation are very well treated, the legal theory, the economic theory, etc., and the author shows how these various theories of taxation are all well met by the inheritance tax.

One excellent feature of the book is the extensive bibliography. This could have been very much improved by a discriminating between the essential and non-essential works and giving a brief statement of what each of the chief works on the subject contained. A bibliography made in this manner is of great value to the beginner in the study of public finance.

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"THE POLITICAL ECONOMY OF NATURAL LAW"† is an amusing and curious instance of the outcropping of an old idea. An idea that the student of the history of economic thought would have supposed long since dead. Natural law, the author thinks, rules the universe, in accord with the immutable decrees of God. Man's will is free only to his own undoing. The book has one redeeming feature, an air of comfortable optimism. Mr. Wood seeks to show that the workings of natural law in the realm of economic life are in the main beneficent. He seeks everywhere for proofs of this beneficent action. "All human infelicity, whether physical, social, economic, moral or spiritual, comes from a disregard or violation of the established order."

\* *The Inheritance Tax*. By MAX WEST, Ph. D. Columbia College Studies, vol. iv, No. 2. Pp. 140. Price, 75 cents. New York: 1893.

† *The Political Economy of Natural Law*. By HENRY WOOD. Pp. 305. Price, \$1.25. Boston: Lee & Shepard, 1894.



"Political economy is the outward expression of the play of natural forces of the mind," and these forces of the mind when not disturbed by "artificial forces" work of necessity in accord with beneficent natural law.

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THE DEPARTMENT OF History of the University of Pennsylvania has begun the publication of "Translations and Reprints from the Original Sources of European History." The editors of the reprints have undertaken the work because they feel the need of making a larger use of the primary sources of history than has thus far been customary. They hope to improve the methods of teaching history by enabling students to "use the materials of history in their original form." This will enable every student of history to "learn to work for himself," and by methods similar to those employed in the study of the natural sciences. Five of the six numbers which constitute the first series of reprints have appeared. They comprise: I. "The Early Reformation in England. Wolsey, Henry VIII. and Sir Thomas More," edited by Edward P. Cheyney; II. "Urban and the Crusaders," by Dana Carleton Munro; III. "The Restoration and European Policy of Metternich," by James Harvey Robinson; IV. "Letters of the Crusaders," by Dana Carleton Munro, and V. "The French Revolution, 1789-1791," by James Harvey Robinson.

The pamphlets are published in an attractive and usable form with stout flexible paper covers. Single numbers, sixteen to twenty-two pages in length, sell for fifteen cents; double numbers of thirty-two pages for twenty-five cents; special reductions being made in the case of large orders. This brings the valuable publications within the easy reach of students.

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A CONTINUALLY INCREASING number of college trained men are making a profession of the administration of charities and corrections, especially in connection with the work of the charity organization societies. Several graduates of the University of Wisconsin have recently entered upon such work, George S. Wilson as General Secretary at Toledo, Henry S. Yonker as Assistant Secretary at Terre Haute, Paul Tyner as General Secretary at Des Moines, and C. M. Hubbard as Assistant Secretary at Cincinnati.

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AT THE LAST session of the Kansas Legislature, Senator James Shearer introduced a resolution providing for submitting to the people

a proposition to amend the Constitution, so as to provide for the initiation, repeal and approval or rejection of laws.

According to the resolution, no law enacted by the legislature by less than a three-fourth vote was to go into effect until four months from the date of its passage, and if, during that time, a petition signed by a certain proportion of the electors of the State (between fifteen and thirty per cent, to be determined by a later law) was presented to the Secretary of State, urging that this law be submitted to the electors of the State at the next general election, it was not to go into effect before such an election; but was to be voted for at that election, and, if it received a majority of all the votes cast, it was to be a law; otherwise, not.

According to the resolution, a certain proportion of the electors of the State (between twenty and forty per cent as afterward to be decided) was to have the right to propose laws and to petition for the repeal of laws already in force, and the question of the enactment of the new or the repeal of the old law was to be decided at the next general election. No law enacted by the people was to be subject to repeal or amendment by the legislature.

This resolution was read the first time on February 13, 1893. It was read the second time on the following day, and was referred to the Committee on Elections, of which Senator J. W. Leedy was chairman. On February 20 the committee reported it with the recommendation that it be passed; but it never came up for a vote on account of the trouble in regard to the organization of the House, which cut down the working days of the session to eleven days. This resolution, which is to be submitted again this winter, was endorsed by the Omaha National Populist Party Convention, the Kansas Populist Party State Convention and the Kansas State Alliance.

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SIR HENRY MEYSEY-THOMPSON recently offered a bimetallic prize of a silver cup or silver plate, value £25, and £25 in sovereigns, for the paper which should point out most clearly and plainly: (1) The great loss and injury which is being inflicted on the producers of England by the extraordinary rise in the value of gold as compared with that of silver during the last twenty years, consequent on changes in the laws regulating the use of gold and silver as money in various countries. (2) The immense temptation and inducement which this rise in the value of gold holds out to capitalists in silver using countries, to develop their coal mines, and to erect machinery for the purpose of supplying themselves and other silver using countries

with the manufactured articles which England has long been in the habit of supplying them with. (3) That in the competitive manufacturing industries of the world this divergence of value between gold and silver must inevitably lead to the substitution of the cheap labor of silver using countries for the more highly paid labor of gold using ones, a substitution which is already rapidly taking place, and which, unless some international agreement is come to at once, must lead to the ruin of many English industries, and the throwing out of employment of tens of thousands of English workmen.

Announcement is made that this prize has been awarded to Mr. George Jamieson, H. B. M.'s Consul-General for China, at Shanghai. Arrangements for the publication of the paper have not been made as yet.



## MISCELLANY.

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### UNIVERSITY EXTENSION SUMMER MEETING.

The Economics Department of the Philadelphia Summer Meeting was notable alike for the scientific value of its lecture courses and for the excellent quality of its membership. Sixty special students, chiefly college instructors and university graduate students, were present during the four weeks of the meeting, devoting their time to lectures, social interchange of views and informal discussions. The courses were from three to fifteen lectures in length, insuring to each of the lecturers an opportunity to give satisfactory expression to the ideas which he held of prime importance for advanced students of economics to consider. The special advantage of such a meeting lies in the repeated opportunity to question the lecturer and to discuss his views both in private and in the class-room. With a picked audience like that of the Summer Meeting, the economist may express himself more freely and intelligibly than in print, and more fully and effectively than in the associations and gatherings in which but an hour or two at most can be devoted to each subject. The following is a synopsis of the lecture courses :

I—MONEY. By E. Benjamin Andrews, LL. D., President of Brown University. *Five Lectures—July 16-20.* (1) Money and the Times; (2) England's Monetary Experiment in India; (3) "Counter" and Quality in Monetary Theory; (4) What Fixes Prices; (5) Labor as a Standard of Value.

II—DISTRIBUTION. By J. B. Clark, Ph. D., Professor of Political Economy in Amherst College, and Lecturer in Johns Hopkins University. *Ten Lectures—July 2-13.* (1) Normal Distribution equivalent to Proportionate Production; (2) The Relation of the Law of Value to the Law of Wages and Interest; (3) The Social Law of Value; (4) Groups and Sub-groups in Industrial Society; (5) The Nature of Capital and the Source of Wages and Interest; (6) The Static Law of Distribution; (7) Dynamic Forces and their Effects; (8) The Origin and the Distribution of Normal Profits; (9) Trusts and Public Policy; (10) Labor Unions and Public Policy.

III—SCIENTIFIC SUBDIVISION OF POLITICAL ECONOMY. By F. H. Giddings, A. M., Professor of Sociology in Columbia College. *Five*

*Lectures—July 2-7.* (1) The Conception and Definition of Political Economy; (2) The Concepts of Utility, Cost and Value; (3) The Theory of Consumption; (4) The Theory of Production; (5) The Theory of Relative Values.

IV—THEORIES OF POPULATION. By Arthur T. Hadley, M. A., Professor of Political Economy in Yale University. *Three Lectures—July 5-6.*

V—RELATIONS OF ECONOMICS AND POLITICS. By J. W. Jenks, Ph. D., Professor of Political Economy and Civil and Social Institutions in Cornell University. *Five Lectures—July 16-20* (1) The Nature and Scope of Economics and of Politics Compared; (2) Influence of Economic Conditions upon Political Constitutions; (3) The Influence of Economic Conditions and Theories upon Certain Social and Legal Institutions not Primarily Political; (4) The Influence of Present Economic Conditions and Beliefs upon Present Political Methods and Doctrine; (5) The Political Reforms that would be of Most Economic Advantage.

VI—ETHNICAL BASIS FOR SOCIAL PROGRESS IN THE UNITED STATES. By Richmond Mayo-Smith, Ph. D., Professor of Political Economy and Social Science in Columbia College. *Three Lectures—July 24-26.* (1) Theories of Mixture of Races and Nationalities and Application to the United States; (2) Assimilating Influence of Climate and Intermarriages; (3) Assimilating Influence of Social Environment.

VII—INTRODUCTION TO DYNAMIC ECONOMICS. By Simon N. Patten, Ph. D., Professor of Political Economy in the University of Pennsylvania. *Fifteen Lectures—July 9-27.*

VIII—PUBLIC FINANCE. By Edwin R. A. Seligman, Ph. D., Professor of Political Economy and Finance in Columbia College. *Five Lectures—July 23-27.* (1) The Development of Taxation; (2) The Effects of Taxation; (3) The Basis of Taxation; (4) The Principles of Taxation; (5) The Single Tax.

It is expected that the substance of Courses II and III will be published at an early date, the first constituting Part I of Professor Clark's eagerly expected work on Distribution, the other embodying the outline of Professor Giddings' system of political economy, which will be received with the more interest because of the fact that in accepting the chair of sociology at Columbia College he turns aside for the present from the formal teaching of this subject.

Aside from the courses outlined above, Professor J. B. Macmaster delivered four lectures on American economic history, and there were several interesting addresses on special subjects, notably those by President Andrews on the Brussels International Monetary Conference; by

Professor Clark on the Ideal Standard of Value and on the Elementary Teaching of Economics; by Professor Giddings on the Money Question and on Methods of Teaching Political Economy, and by Professor Simon N. Patten on Political Economy in Elementary Schools. The address last mentioned aroused so much interest that there was an urgent demand for its publication, and with some modifications it is printed in the present number of the ANNALS.\*

On the whole the experiment has proved so successful that it is hoped that a similar series of courses can be arranged for the next meeting in the field of politics, and that the University Extension authorities may be able to arrange for a second economic program within a few years. A comparison of the course outlined above with any that could have been secured from the economics departments of American Universities even ten years ago would strongly emphasize the advance of this decade.

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#### ASSOCIATION OF COLLEGES AND PREPARATORY SCHOOLS.

The sixth annual convention of the Association of Colleges and Preparatory Schools in the Middle States and Maryland was held at the Johns Hopkins University, Baltimore, on November 30 and December 1.

The topic which was first discussed was "The Place and Teaching of History and Politics in School and College." Professor Herbert B. Adams, of Johns Hopkins University, opening the discussion by a paper entitled "Is History Past Politics?" He urged the prominent if not predominating position which the political aspects of history must inevitably assume. The close relation and interdependence of history and politics was illustrated in the life and teachings of Professor Lieber, of Columbia College, and by the methods pursued at the Johns Hopkins University.

Professor James Harvey Robinson, of the University of Pennsylvania, followed Professor Adams, reading a paper upon the "Use of the Sources in Teaching History." Emphasis was laid upon the absence in our colleges and universities of any opportunity for the student to cultivate his critical faculties in the use of books and in the interpretation of written records. This in itself would seem to justify, it was urged, some reference to the sources of our knowledge of historical facts. The student is encouraged blindly to accept facts as presented to him in a textbook. He never thinks of asking for proofs,

\* "Economics for the Elementary Schools,"



and thus an opportunity is lost for cultivating literary tact and discrimination, so essential in picking our way among the ever increasing mass of books, which the publishers submit to us.

"The Place of History in the Secondary Schools" was taken up by Principal Henry P. Warren, of the Albany Academy, Albany, N. Y. This paper dealt especially with that class of historical facts which most naturally excite the interest of younger pupils especially mythology and the accounts of exploration and adventure. Only later ought the pupil to be introduced to the history of Greece and Rome and then of France. Around the history of the latter country almost all the great tendencies of Modern Europe can be grouped.

Mr. Samuel E. Forman, of Baltimore, in a paper on "Civics in the Secondary Schools" criticised the action of the Conference at Madison as submitted in the report of the Committee of Ten, in recommending that civil government be made a part of the instruction in history. Civics should be an independent subject, "the end to be attained by the study is ethical," the speaker claimed, "rather than educational," for as a means of mental discipline civil government is of low value. Several suggestions were added in regard to the methods of instruction.

A discussion followed in which among others Professor Franklin H. Giddings, of Columbia College, and Mr. Glenn Mead, of the Episcopal Academy, Philadelphia, took part. The afternoon session was devoted to a discussion of the Report on the Requirements for Entrance Examinations in English of the Committee appointed last year by the Association. Very interesting papers were read by Professor Stoddard, of the University of the City of New York; Professor Bright, of Johns Hopkins University; Mr. Farrand, of Newark Academy; Professor Bliss Perry, of Princeton College, and Mr. Chubb, of the Brooklyn Public Schools. The report was accepted by the Association.

Owing to the absence of President Francis L. Patton, the evening address was made by Professor Ira Remsen, of Johns Hopkins University, who spoke especially of the danger arising from the introduction of advanced university methods in the teaching of the less mature students of our colleges.

The session Saturday morning was devoted to "The Future of the College."

Mr. Talcott Williams, of the Philadelphia *Press*, opened the discussion. From a compilation of interesting statistics, the speaker reached the following deductions: First, the essential influence of great colleges in stimulating the appetite for a college education, and in educating the community "so as to create the soil out of which the college students will grow." Secondly, the figures seem to prove that the colleges have a *local* command over their attendance, and are not

sought because they are cheap and easy, but because they are near. Competition is thus reduced, and the standard may be safely raised without diminishing the attendance.

President Sharpless, of Haverford College, described the advantages of the small college and the work it should do as contrasted with the university. President Warfield, of Lafayette College, and President Stryker, of Hamilton College, presented papers upon other aspects of the same subject. In the discussion which followed, Professor James, of the University of Pennsylvania, and Principal Johnson, of Friends' School at Wilmington, Del., took part.

The papers and discussion will be printed in full in the Annual Proceedings of the Association, which may be obtained *gratis* by applying to the secretary, Professor J. Q. Adams, University of Pennsylvania.

## NOTES ON MUNICIPAL GOVERNMENT.

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### INTRODUCTION.

Recent events seem to indicate that the interest in municipal affairs has been placed upon a new footing. In the place of intermittent and spasmodic efforts at reform, we can now count upon a continuous and increasingly earnest effort on the part of large classes of our citizens to place the functions of the municipality upon the highest level of efficiency. In order to make these efforts as fruitful of results as possible, it is necessary that the experience of the various cities be placed within the reach of those most interested. It will be the effort of this department of the ANNALS to contribute its share to that end. In this connection it may be well to mention that only such events will be noticed as serve to illustrate the principles which underlie our system of city government. Thus many purely political events must needs be excluded. The obligations of the department to the individual correspondents will receive mention as occasion requires.

### AMERICAN CITIES.

**Philadelphia.**—The estimates of expenditure for the fiscal year, 1895, are at present the subject of discussion in the councils of most of our large cities. The debates upon the various items of expenditure always bring out very clearly our methods, financial and administrative, of dealing with municipal problems. With but little regard to the nature of the particular problem in hand, the estimates of the executive departments are reduced in a purely mechanical way, in order to remain within the limits of possible revenue. Each department is allowed a certain percentage of its estimate, which often means that work of improvement and extension thus done in fragments is expensively and often inefficiently executed. For instance, in the city of Philadelphia, the estimate of departments for improvements and extensions alone was over \$14,000,000. The report of the committee makes this a very suggestive recommendation: "The money available will only permit the appropriation of about forty per cent of the amount asked for by the departments for improvements and extensions." While public works, such as the Public Buildings, park improvements and the like, are in process of completion, such reductions mean indefinite delay and often duplication of the work.



Another very significant fact in connection with the financial methods of the city departments is the communication of the Director of Public Works on the question of street cleaning. For this purpose, the city is divided into five districts; bids are received for each district under the separate items of Street Cleaning and Collections of Ashes and Garbage. The award is then made to the lowest bidder. For the year 1895 the aggregate of such bids is nearly \$100,000 less than in 1894. Ordinarily, this might be a subject for congratulation. When, however, we come to examine the nature of this particular service, it is evident that the low figures will mean inefficient work. The fact that some seven or eight different contracting companies must be controlled and supervised, is sufficient of itself to prove the fact that anything like strict supervision will be impossible. Under another system where the method of street cleaning has been developed gradually, and with due regard to the needs of a great city, reductions of \$100,000 would be absolutely impossible. As the city grows, the requirements of street cleaning become greater, involving a greater financial burden. Were the city to undertake the cleaning of its own streets, the cost would undoubtedly be greater than at present; but, on the other hand, their condition would be far more satisfactory. Thus for the year 1895, Philadelphia will expend some \$750,000 for the cleaning of its streets, together with the collection of ashes and garbage. New York, with a street surface less than one-half that of Philadelphia, expends almost three times the amount, and while every one admits that the work is expensively done, the condition of the streets amply repays what, to many, seems an extravagant outlay.

**Chicago.**—The report of the Citizens' Association of Chicago for 1895 contains a number of recommendations, to be embodied in specific measures, which the association will have in view in its work during the coming year. An investigation into the Police Justices' Courts, which was undertaken in 1892, revealed a large number of cases where corruption and bribery had played an important part in the non-enforcement of laws and ordinances. The association advocates a complete remodeling of this branch of the local judiciary. Other recommendations include a change in the law regarding special assessments, the consolidation of the city and county governments, the holding of a Constitutional Convention to effect changes in the administrative system of the city, and a revision of portions of the city charter.

**Boston.\***—The question of a "Greater Boston" seems to be uppermost in the minds of those most interested in the city's welfare. In

\*The information concerning Boston has been furnished by Mr. Sylvester Baxter of the Boston *Herald*.

a number of cases the city and surrounding districts are already organized for purposes of general administration. The Boston Postal District includes six suburban municipalities, with a population, in 1890, of 607,063. The Metropolitan Sewerage District includes seventeen such suburban municipalities, with a population of 744,575. The system of parks is in the hands of a Metropolitan Commission, whose authority extends over a district comprising thirty-seven municipalities, with a population estimated at about 1,000,000. Within the last two years open spaces aggregating some 8000 acres have been laid out by this commission, which, with pre-existing parks, give to the district a total park space of 14,000 acres. A plan for a Metropolitan Water District is also under consideration.

With the close of the present year, Boston is to lose the services of Mr. Nathan Matthews, Jr., as chief executive of the city. During the four years of his incumbency the change in administrative and financial methods has been remarkable. The entire executive work of the city has been brought to a new standard of efficiency. During his term of office reforms in almost every executive department have been effected. One of the main difficulties with which the executive had to contend was the great number of executive departments in the city government; still further complicated by the fact that commissions and boards were, as a rule, at the head of these departments, thus making an effective central executive control almost impossible. To completely cure this evil, a change in the form of city government will be necessary, requiring an act of the legislature. This has not as yet been obtained. Within the limits of the powers given to the city by the charter, however, important changes have taken place. Thus, the various bureaus relating to highways, such as paving, street cleaning, construction and maintenance, have been consolidated and placed under the direction of a Superintendent of Streets. A Board of Survey to determine the line of all new streets upon a definite plan was established, which, together with the reorganization of the Architectural Department of the city, means a radical change in the method of laying out and constructing new streets, especially in the older portions of the city. Mayor Matthews has, furthermore, taken a most decided stand against the gas company, which, until within a few years, enjoyed a monopoly in the city. He succeeded in securing entry for another company (The Brookline Gas Company), and finally in effecting a reorganization of the original company. The price of gas was reduced to \$1.00 per 1000 cubic feet in the urban sections. The various gas companies have now entered into a combination, over which the retiring mayor will assume the presidency. In accepting this office, Mr. Matthews expresses

the following opinion on the relation of the municipality to *quasi* public works: "The best manner of adjusting the relations between the community and a private corporation undertaking a semi-public service, is, in my opinion, to secure to the municipal corporation a share in the dividends paid within a certain fixed percentage, and, on the other hand, to protect the company in its business and encourage its development by a contract for a term of years."

The Municipal League of Boston has been doing some very thorough work in investigating various city departments. At the October meeting, a detailed report was devoted to the City Council, and charges of corruption, especially in connection with contract work, were brought forward. This report has not as yet given rise to any definite action, although the same is awaited with great interest. The November meeting was devoted to a report on the police system by the Committee on Public Health and Safety, which was in the main favorable to the department. The league intends to strongly advocate before the legislature a radical revision of the city charter. It desires, in the first place, that the mayor's term of office be extended from one to three years. Furthermore, the abolition of Common Council and the substitution of a single chamber of twenty-four aldermen with three-year terms, eight to be elected each year under a plan of proportional representation. In addition, a Board of Estimate and Apportionment, analogous to the New York board, to make up the annual budget. Another reform which will be urged is the establishment by legislative enactment, of a "Board of Visitors" for public institutions, the City Council having refused to authorize such a board, notwithstanding the fact that abuses in management have been proven by a special board of visitors appointed to look into the matter.

Various commercial organizations of the city are inquiring into the advisability of establishing a system of municipal wharves and docks, the advantages to other seaports through such ownership being no longer a matter of doubt.

**Omaha.\***—The newly elected Legislature of Nebraska, which commences its biennial session in January, 1895, will have before it, as one of the most important questions, the reform of the charters of cities of the Metropolitan class, under which Omaha is incorporated. In anticipation of this, a Charter Revision Committee consisting of prominent citizens selected by the Mayor and City Councils has been busily engaged for six or eight weeks formulating desirable amendments to the charters of cities of this class. The attention of this committee

\* The information concerning Omaha has been furnished by Victor Rosewater, Ph. D., of that city.



has been chiefly directed toward the reform of the system of assessment and the consolidation of the city departments.

In September of this year the Mayor of Omaha was subjected to impeachment proceedings. Charges had been preferred in the District Court by two City Councilmen, alleging that the Mayor had received large benefits under certain purchases of real estate for park purposes, that he had conspired with gamblers to infringe the criminal code and that he had violated the law in neglecting to make certain appointments. The impeachment proceedings which, it seems, were begun in the interests of certain contractors whose warrants the Mayor had refused to sign, have resulted in the complete exoneration of the executive. One cause of the dispute—the electric lighting service has just been compromised. Up to the present time the city has been paying from \$140 to \$175 per lamp (arc-light) per year. The new contract calls for an all-night service, gauged, not by candle-power, but by voltage, at the rate of \$120 per lamp per year for not less than 200 nor more than 400 lamps.

**Chattanooga.**—The annual report of the Mayor of Chattanooga for 1894 contains some extremely interesting information concerning the changes which have taken place in the government of the city during the fiscal year 1893-1894. At the time of installation of the present mayor, the financial condition of the city was extremely unfavorable. With a population of but 45,000, a funded indebtedness of over \$900,000 and a floating indebtedness of an additional \$100,000, the expenses of the government were increasing beyond the possibilities of revenue.

The first reform which the Mayor had in view was strict economy in administration, especially as regards salaries. In the department of the City Executive alone, the salary list was reduced from \$16,621 in 1892 to \$5610 in 1894; the number of officials from twenty-three to nine. This is exclusive of the Board of Public Works, the Board of Aldermen, the police force, the tax assessors, where financial reforms of a sweeping character were introduced, all tending to make the financial control over expenditures more effective.

The office of Delinquent Tax Collectors was abolished, and the collection of all taxes placed in the hands of the City Treasurer and the Tax Collector.

The strict economy exercised in all departments of the city government is illustrated by the comparison of the total ordinary expenditures for the last four years.

1890-91, . . . . .	\$302,144 45
1891-92, . . . . .	274,344 40
1892-93, . . . . .	236,136 09
1893-94, . . . . .	201,076 74

During the same period the tax levy was reduced from \$1.80 to \$1.25.

Although it is neither possible nor even desirable that this reduction of expenditures should continue, the city has now been placed upon such sound financial basis that future increase in expenditure, unhampered by the extravagance from which it has hitherto suffered, will mean cleaner streets, better sewers, and a mass of other necessities and conveniences which have heretofore been neglected.

#### FOREIGN CITIES.

**London.**—The reports of the chairman and committees of the London County Council for the year ending March 31, 1894, contain much interesting and valuable information concerning the growth and development of the new County Council Government. The gradual extension of functions through special authorizing acts of Parliament is significant of the change which is gradually taking place in London city life. While still hampered by a lack of sufficient power to carry into effect a number of necessary improvements, a great deal has been accomplished toward giving to this vast area a united and responsible government. The unsatisfactory financial condition of the city is due, mainly, to the fact that the funded debt, amounting to some \$165,000,000, represents for the most part financially unproductive public enterprises, such as drainage, parks, street improvements, etc. The liquidation charges alone amount to \$2,500,000 annually. The total expenditure of the Council for the year 1893-94 amounted to \$20,000,000, of which \$5,000,000 was covered by new loans. The main expenditure was incurred for streets and highways, schools and charitable institutions.

The reports of the Taxation Committee show the rate of taxation to be 13 *d.* in the £, which is comparatively low considering the nature of the services rendered. The Park Committee furnishes interesting statistics of the London parks, showing a remarkable increase since the new County Council came into power. In 1889 the number of parks was forty, with an area of 2256 acres; in 1893 there were seventy-eight, with an area of 3665 acres.

An interesting part of the report of the Public Works Committee deals with the work done directly by the Council in street paving and repair. It seems to be the settled purpose of the Council to do as little work as possible through contractors. While the chairman admits that much of the work, especially that connected with street cleaning, might be done more cheaply through the contract system, the efficiency of the service is so far above anything to be obtained through private individuals, that economy is the result in the long run.

Two interesting special reports deal with the questions of "Dust Destroyers" and "Technical Education." The former has been compiled by the medical officer and engineer of the London County Council, and reviews the experience of Manchester, Birmingham, Bradford, and a number of smaller boroughs. The difficulty of disposing effectively of the city's refuse seems to baffle solution. The most difficult problem seems to be to render the organic matter innocuous and at the same time utilize the product for industrial purposes. Until this is done the disposal of garbage and refuse will be an extremely expensive operation. There are about forty urban centres (cities and sanitary districts) in England where the method of disposal by means of furnaces has been substituted for the more primitive systems. In none, however, has the experience been perfectly satisfactory. The recent experiments in some of our American cities show a decided improvement on English methods.

The report on "Technical Education" reviews the work done by the Council in this line. It consists mainly in the granting of support and the founding of scholarships to the various non-board schools. During the year 1893-94 some 228 such school scholarships were awarded. The special grants from the County Council entitle the London School Board to representation on the governing bodies of these institutions. The amount expended in such grants was nearly \$150,000.

Berlin.—Some few of the administrative reports for the fiscal year 1893-94 have appeared, treating in detail the work done by the various departments. The report on street cleaning offers special interest as showing the admirable organization of this department and its ready adaptability to the changing needs of the community. The general control is exercised by a committee composed of four members of the Board of Aldermen (the real executive of the city) and eight members of the Town Council. At the head of the department is the Director of Street Cleaning who is directly responsible to the committee. Under him, as executive officials, are one inspector, one administrator, six chief superintendents and twenty-three ordinary superintendents. These are all specially trained officials, holding office during good behavior. The work of street cleaning is done by some 842 regularly employed laborers who are regarded as city officials, also holding office during good behavior. In case of sickness or accident they continue to draw from the city treasury a certain proportion of their wages and after a certain term of service are pensioned by the city. The average wage is about ninety cents per day. In addition a large number of temporary laborers are added as occasion requires. All those engaged in the work of street cleaning receive a



uniform from the city, which gives to the street-cleaning corps an appearance of tidiness and cleanliness which is in direct contrast with the set of men we are accustomed to see at work on our streets. The department also undertakes the cleaning of the sidewalks and during the summer months the sprinkling of all streets. Main thoroughfares are thoroughly cleansed at least once and often several times each day. Streets paved with asphalt are first flushed with water and then thoroughly scraped by means of rubber scrapers.

The total expenditure of the department for the year 1893-94, including the cleaning of all streets and sidewalks, street sprinkling, garbage collection and disposal and public conveniences, was \$542,850. When we stop to consider that there is no other city in the world—not excepting Paris—where the streets are kept in such irreproachable condition, this expenditure is remarkably low.

#### GENERAL NOTES.

The National Municipal Reform League, organized as a result of the Conference for Good City Government held in Philadelphia in January, 1894, has just published the first two of a series of pamphlets dealing with questions of municipal administration and finance. They are both of an introductory character, stating the objects of the league and discussing general questions of municipal reform.

Pamphlet No. 1 contains "City Government and the Churches," \* by the Rev. Charles F. Dole, and a short article by Mr. Charles Richardson, vice-president of the league, on "What a Private Citizen can do for Good City Government."

Pamphlet No. 2 † contains "An Address to the People," by Charles J. Bonaparte, Esq., and a reprint of Mr. Richardson's article. Mr. Bonaparte, in his introduction, sums up the situation in concise form when he says: "No adequate remedy for these evils can be expected from an improvement in the mere machinery of government. Sooner or later every community obtains as good a government as it deserves. Our cities are misgoverned because our citizens are unworthy. By some means, the whole tone of public opinion, the accepted standards of political thought and conduct, must be raised. To do this, and do it permanently and effectually, will be the work of time and labor."

#### *National Conference for Good City Government.*

The Second Conference of the National Municipal Reform League was held in Minneapolis on the eighth and tenth of December, 1894.

\* Philadelphia, 1894. 12 pages.

† Philadelphia, 1894. 14 pages. Both pamphlets can be obtained by application to C. R. Woodruff, Esq., 514 Walnut street, Philadelphia.

The first session was opened on the morning of the eighth by Vice-President Charles Richardson, of the National League, who made a few remarks upon the general nature of the reform movement. Mr. Charles L. Crocker, President of the Minneapolis Board of Trade, followed with a brief sketch on the relation of the city to this reform movement. The formal address of welcome was made by Mayor Eustis, of Minneapolis, Professor Edmund J. James, of the University of Pennsylvania, responding in the name of the visitors. Mr. George Burnham, Jr., of Philadelphia, was chosen President of the Conference. The regular session was opened by D. F. Simpson, Esq., Corporation Counsel, of Minneapolis, with a paper on "The Scheme of Government in Operation in this City," in which the charter provisions were examined in detail; the results of their operation being freely commented upon. This paper was followed by a series of reports on the "Results Obtained by Voluntary and Temporary Movements." The first of these was made by Mr. William G. Low, of New York. Mr. Low commented at length upon the reform movement in New York City; he reviewed the work done by the Rev. Dr. Parkhurst, and the present position of the Committee of Seventy. Special emphasis was laid upon the fact that party affiliations must be disregarded in the work of reform. "So far as my experience goes," he said, "our municipal gains have usually taken place when men have thus forsaken party lines and, independently thereof, worked for the civic good. In order, however, that the results obtained should be permanent, it is necessary that the temporary voluntary movements acquire some permanent character."

Mr. Low was followed by Herbert Welsh, Esq., of Philadelphia. Mr. Welsh commented at length upon the position which the local Municipal Leagues must occupy in the work of reform. There must be a concerted effort to replace the apathy and ignorance of the great mass of citizens by an intelligent and active interest in local problems. The necessity of permanent organization was thoroughly discussed.

The Afternoon Session was occupied by the reading and discussion of a paper of Professor Jeremiah W. Jenks, of Cornell University, on "Proportional Representation and Municipal Reform."

The Monday Morning Session (December 10) was devoted to a paper by Professor Edmund J. James, of the Wharton School of Finance and Economy, University of Pennsylvania, on "The Elements of a Good City Charter." In the introductory portion of the paper, Professor James took occasion to correct a mistaken impression as to the purport of his remarks at the New York city meeting last May. The description there given of American city government at its worst was intended for the city of New York under the Tweed ring, and not

in any sense to be applied to Philadelphia. On the contrary, the new Charter of 1885 marked a notable step in advance in our methods of city government. The framing of a model city charter is dependent upon local conditions, and thus no hard and fast rules can be laid down as applicable to cities in general. While in some respects European cities stand far above their American counterparts as regards the efficiency of their administration, in others, again, we can claim superiority. Modern cities cannot be governed, in the long run, except upon the basis of universal suffrage, popular representation and popular control. This combination is to be found in no European city. Their present form of administration is sure to break down upon the introduction of universal suffrage into their political system. As regards the elements of a good city charter, Dr. James lays down the following principles :

First, "Such a charter should give the greatest possible amount of self-government to the community." This should include (1) the right to frame its own charter, (2) independence and freedom from State control, either legislative or administrative, so far as purely local questions are concerned. Until this is done, no opinion can be expressed upon the success or failure of democracy in city government."

Secondly, "The executive and legislative authorities of the city must be clearly differentiated, and as far as possible vested in different bodies."

Thirdly, The executive department should be organized on the sound basis of permanent civil service under the direction of a mayor elected by the people for not too short a term.

Fourthly, "The legislative body should consist of two divisions; the most numerous consisting of representatives, chosen by districts (wards, etc.); the smaller body on a general ticket with a method of cumulative voting."

With this truly representative and democratic form of government, the American cities will have "adequate machinery for the expression of our civic life." The result would be a great improvement in our city governments.

Among the other speakers at the meeting were Mr. George Frederick Elliott, President of the Law Enforcement Society of New York; Mr. Charles J. Bonaparte, of Baltimore; Mr. W. H. Lightner, of St. Paul; Hon. E. J. Blandin, of Cleveland; Gen. F. C. Winkler, of Milwaukee; and Mr. J. H. Dana, of Denver.

The appearance of a new monthly journal, devoted to municipal and county problems, meets a want which has long been felt in our periodical literature. The first two numbers of the *Municipality and*



*County*\* contain a mass of interesting facts concerned mainly with the public works of various cities in the United States.

In the first number, the proceedings of the first meeting of the American Society of Municipal Improvements, which met in Buffalo in September of this year, are reported. Other articles deal with the water supply in cities, street paving, garbage collection, taxation, etc. The new publication promises to be of great value to the officials in various cities who are anxious to obtain information concerning the experience of other localities in dealing with similar problems, as well as to others interested in municipal problems.

The series of conferences in the interest of Good City Government, held in New York City during the winter of 1893-1894, under the auspices of the City Vigilance League, have proved so successful in awakening public interest in local questions, that the Executive Committee has determined to arrange a similar program for present winter. The large number of prominent speakers, including such men as the Rev. Drs. Charles H. Parkhurst and Lyman Abbott, Hon. Andrew H. Green, Professors Franklin H. Giddings and Edwin R. A. Seligman, Richard Watson Gilder and William Dean Howells, ensures equal, if not greater, success. In the series of fourteen conferences, almost every subject relating to the municipal life of a great city is to receive attention. Education, police, taxation, health, transportation, recreation and the various social problems which confront New York City, will be treated by recognized authorities in these subjects. The Conferences are held on alternate Thursday evenings in Amity Building (312 West Fifty-fourth street). It is to movements such as these that we must look for the development of such an interest in municipal affairs, as will render possible the solution of the many difficult and complicated problems of our great cities.

\* *Municipality and County*—a monthly journal of practical information for municipalities and counties, and parties dealing with the same. A. B. Kellogg, Editor, Niagara Publishing Company, 202 Main street, Buffalo, N. Y.

## SOCIOLOGICAL NOTES.

[This new department of the ANNALS will be glad to receive notes on all topics that may be of interest to sociologists and persons engaged in sociological investigations in the broadest acceptance of the term. It is not the purpose of these columns to define the boundaries of sociology, but rather to group under this heading all bits of information that otherwise might be scattered throughout various departments of the ANNALS for convenience of reference to those members of the Academy who are interested in any side of sociological work or in social problems. These notes will be representative of this line of work and therefore of value in proportion as members of the Academy co-operate with the editor. Among those who have already indicated their interest and their willingness to contribute are such well-known workers along sociological lines as Professor Franklin H. Giddings (Columbia College, N. Y.), Dr. John Graham Brooks (Cambridge), Mr. John Koren (Boston), Hon. Carroll D. Wright (Washington, D. C.), Mr. Robert D. McGonnigle (Pittsburg, Pa.), President John H. Finley (Knox College, Galesburg, Ill.), Miss Emily Green Balch (Jamaica Plains, Mass.), Miss M. E. Richmond (Baltimore, M. D.), and others.]

**Theory of Sociology.**—The past months have been productive of much valuable discussion on questions pertaining to the theory, province and scope of sociology. The appearance of Professor Giddings' "Theory of Sociology" \* marks a distinctly forward step in English writing on this subject. It was intended to give only an outline of the principles upon which a larger and more complete work by the same author would be written in the near future. The discussion, however, of questions concerning the concept of utility, the method and scope of sociology, and whether sociology or political economy is a fundamental science, contains so clear a statement of the definite attitude of the author to them as to call forth further discussion from other sources. Professor Giddings had already made able contributions † to sociological literature on these points.

Another point of view from that presented by Professor Giddings is to be found in Small & Vincent's "Introduction to the Study of Society." ‡ The authors argue strongly for the organic concept of society, maintaining that previous advocates of this position have been misunderstood. The book throughout follows the biologic terminology, and is thoroughly orthodox from the point of view of earlier contributions to sociologic theory.

\* Published as a supplement to the ANNALS for July, 1894. Pp. 80.

† Publications of the American Economic Association, Vol. VI, Nos. 1 and 2, 1891; Vol. VIII, No. 1, 1893. "Ethics of Social Progress." *International Journal of Ethics*, Vol. III, No. 2, 1893. "Province of Sociology." ANNALS, Vol. I, p. 66, July, 1890.

‡ American Book Co., New York. Pp. 384. See Professor Giddings' review in the *Yale Review*, November, 1894.

Professor Simon N. Patten, in a paper\* which was partly in the nature of a review of Mr. Lester F. Ward's "Psychic Factors of Civilization," has taken a decidedly unorthodox and unique stand on many fundamental questions pertaining to sociology. He especially objects to the methods pursued by Ward, Spencer and others, roughly designated as the "Biologic School," in reasoning with social data in terms of the formulæ of another science. He maintained that in so far as they had allowed biologic factors to account for social phenomena, their results had been meagre. His own view was indicated but briefly. He suggested that economic motives were sufficient to account for social structure, and that their analysis and co-ordination in the shape of a study of race knowledge and ideals, was the legitimate road to success for the sociologist.

Professor Small notices Professor Patten's views,† as stated in another article,‡ but claims that he has misunderstood the arguments for an organic concept. Again, in a foot-note (p. 96), he says: "Professor Patten has published, under the title 'Failure of Biologic Sociology,' along with strong words of wisdom as an economist, still more startling misconceptions of the method both of philosophic science and sociology."

These three distinct lines of thought could not fail but to give rise to interesting and valuable discussion. In a Briefer Communication, entitled "The Beginning of Utility," in the September number of the ANNALS, Professor Patten criticises Professor Giddings' concept of utility, and Professor Giddings replies under the title, "Utility, Economics and Sociology," in a Briefer Communication in the November number. In the latter number, Professor Patten also discusses the organic concept of society in reply to Professors Small and Vincent. To the same topics was devoted a day's session (September 4) of the meeting of the American Social Science Association at Saratoga, at which time Professor Giddings spoke on "The Relation of Sociology to other Scientific Studies;" Professor G. G. Wilson, of Brown University, on "The Place of Social Philosophy in Education;" and Mr. G. E. Vincent, on "A Scheme of Sociological Study." The printed proceedings of the association, recently issued,‡ make the papers by Professors Giddings and Wilson accessible to the public.

The present number of the ANNALS contains a further communication by Professor Patten, entitled "The Relation of Economics to

\* "Failure of Biologic Sociology." ANNALS, vol. iv, p. 919, May, 1894.

† "Introduction to the Study of Society." Pp. 92 to 94.

‡ "Place of University Extension." *University Extension*, Philadelphia, February, 1894.

§ November, 1894. Pp. 192. New York: G. P. Putnam's Sons.



Sociology," and he and Professors Giddings, Small and Willcox will discuss this same question at the meeting of the American Economic Association in New York City. Hardly more than a mere reference to so numerous and noteworthy a series of contributions to sociologic theory can be given here. But no future student of sociology can afford to neglect this rich field of suggestion and thought. It is hoped that these various articles and papers may be gathered together in a small volume at no distant date for more convenient reference.

**Pennsylvania.**—*Association of Directors of the Poor.*—The twentieth annual meeting of the association was held at York, Pa., on October 9, 10 and 11, 1894. This association has been very active in trying to secure better and more uniform legislation in Pennsylvania for the management of public institutions and for the treatment of paupers. Legislation in this State has been so varied, scattered and bulky in its nature that few public officials who are really conscientious can be sure of their duties or whether they are acting in conformity to law. This association secured a legislative commission in 1889 which went carefully over the entire ground of our legislation and attempted to codify and suggest amendments. It was found that thousands of acts of the Legislature were still nominally in existence and that the greatest differences in practice or execution existed in different parts of the State. The attempt to codify these laws and to bring the Pennsylvania Poor Law system into some sort of unity was an impossible task without the enactment of a new general poor law, which the commission recommended in 1890. In the recommendation for such a law, however, the commission included that for the establishment of a Department of Poor Law Administration at Harrisburg. This met with political opposition in the Legislature and caused the defeat of the whole measure. The Association of Directors, however, which has been back of this agitation from the beginning is still hopeful of securing a much needed reform in Pennsylvania's legislation.

At the meeting this year at York there were about 300 delegates present, representing practically all the poor districts in the State where there are almshouses, as well as children's aid societies, with the exception of the Philadelphia Society, and other societies of Western Pennsylvania. The address of welcome was delivered by Hon. J. W. Bittenger, President Judge of York County. A very practical and much appreciated paper on "Almshouse Management" was read by John W. Byers, superintendent of the Mercer County Almshouse. Mr. J. W. Hannah, a Fellow of Columbia College, read a paper on the "Distribution of Pauperism and Crime Among the Elements of our Population," which showed great research, and presented the matter in a practical way. His paper is a very valuable

addition to the general literature on this topic. Dr. Myers, of York, presented a paper on "Epileptics," and advised that proper steps be taken to provide for this class of dependents. Mr. Robert D. McGonnigle, secretary of the association, presented the report of the committee appointed at last year's meeting to look into the matter of the site selected for the Western Pennsylvania Institution for the Feeble Minded. The report showed clearly that the site was not properly located for the work it was intended to do, and after considerable discussion the committee was instructed to present the matter at the next meeting of the legislature with a view to having the site changed, if possible. Mr. McKnight, of Luzerne County, presented an interesting paper on the "Remedy to Prevent Pauperism." Mr. Bridenbaugh, of Blair County, read a paper on "Out-door Relief." Dr. Walk presented an account of the relief work in Philadelphia last winter; George Linderman presented a similar paper on the same work done in Pittsburg. The work of the association having developed so largely, it was decided to change the name from the "*Association of Directors of the Poor of Pennsylvania*" to the "*Association of Directors of the Poor and Charities of Pennsylvania*." This will embrace all the charities in the State, public and private, and will be the means of having a larger attendance and increased membership. Hon. W. A. Stone, member of Congress from the Twenty-fourth District, delivered a very interesting address on "Immigration," and urged the importance of having proper laws passed to prevent the immigration of paupers or dependents. Mr. Stone is author of a bill looking to this end which has passed the House, which provides for a consular inspection and certificate of the United States Consul from the territory from which the emigrant comes. The association passed a strong resolution endorsing the bill, and urging its passage. Dr. W. Brown Ewing, superintendent of the Wernersville Hospital, and Dr. Wetherill, secretary of the Committee on Lunacy, were both on the program for addresses, but failed to respond. Mr. Gould, of Erie, presented the new poor law as revised by the committee appointed at the Williamsport meeting to do this work. The Committee on Legislation were instructed to press its passage at the next session of the legislature. A resolution was offered providing for the creation of a Department of Charities and Corrections at Harrisburg, to assume the duties now devolving on the Board of Public Charities and Committee on Lunacy. This method of supervising the charities and corrections, it is thought, would be much more efficient than the one now in existence. The resolution was ordered printed, and will be considered at the next meeting. Information has been received, however, that such an act will be presented and pressed at the next session of the legislature.

There is considerable feeling in regard to the present organization of the Board of Public Charities, and this objection is not without some reasonable ground for complaint. Out of the total membership of the board (eleven), there are but two from the territory west of the Susquehanna; one of them is a resident of a county that has no institution in its borders—Allegheny County—and adjacent counties support institutions that receive possibly \$700,000 from the State, and are deprived of representation on the board, and they naturally feel that their interests have not been considered as they should be. The proposed department would represent the whole State, without regard to east or west. The ladies representing the various children's aid societies held their meeting on Wednesday evening apart from the general meeting, and quite a number of interesting papers were read, and action taken looking to the increasing of the efficiency of their work.

**Massachusetts.—Labor Bureau.**—Mr. Horace G. Wadlin, Chief of the Bureau, gave notice on November 7 that a limited number of copies of the Twenty-fourth Annual Report (1893), including an exceedingly valuable report on Unemployment, which embodies some summary of the results from a very thorough French report\* and also of the lucid and full English report† of Mr. H. Llewellyn Smith, Commissioner of Labor of the English Board of Trade, and also of the Annual Reports for 1889, 1891 and 1892 and the volumes of Annual Statistics of Manufactures for 1890, 1891, 1892 and 1893 are still on hand and will be sent by express, collect on delivery, or by post, to those first applying, provided postage is forwarded. The high standard of work done by the Massachusetts Labor Bureau makes these reports very desirable acquisitions to the library of any interested in the subjects of which they treat.

**Unemployed.**—The board to investigate the subject of the unemployed, ordered to be appointed by the last legislature, composed of Professor D. R. Dewey, of the Massachusetts Institute of Technology; Mr. D. F. Moreland and Mr. Haven C. Perham, with its headquarters in the Commonwealth Building, 11 Mt. Vernon street, Boston, has been making very extensive investigations of the extent and methods of relief of unemployment outside the borders of Massachusetts, as well as within that State. The Ohio Employment Bureaux have been studied, likewise the French ones. The special work of the various Relief Committees of last winter and all foreign experience has been

\* "*Le placement des employés, ouvriers et domestiques en France, son histoire, son état actuel.*" Office du travail. Ministère du commerce et de l'industrie. Paris, 1893.

† "Agencies and Methods for Dealing with the Unemployed."



examined. A very valuable report on the subject may be expected. The first part of the report will probably be presented to the legislature in January and the final report in March.

**Liquor Problem.—*New Norwegian Law.***—The new Norwegian liquor law of July 24, 1894, is of special interest, not only because it secures the permanency and materially enhances the efficacy of the "company system," or liquor selling without private profits, but also because it is purely a development of earlier legislation, in conformity with the demands of an advanced temperance sentiment.

The reform liquor legislation in Norway dates back to 1845, when both the production and sale of spirits was effectually restricted with a view of lessening the consumption of drink. The new measures adopted in subsequent years skillfully paved the way for a complete revolution of the traffic. When the law of 1871 was passed, giving the towns and cities the right to grant a monopoly of the retail trade in distilled spirits to companies pledged to conduct the traffic in the interests of temperance, the vast change involved was effected without disturbance. Except in a few cases, the privileges of private dealers had not been recognized as vested rights. Partly in consequence of this, no formidable moneyed opposition from the liquor element had to be encountered, as was the case in Sweden. Nor had the trade interest been suffered to become a political factor. The dealers were simply dispossessed and the control of the traffic assumed by companies deprived by law of all selfish interest in the sale of intoxicants. But even at this early date, the defects of the existing laws were plainly perceived. The distillers and merchants could still indulge in a pernicious wholesale traffic, which was untaxed. The company monopoly did not embrace the sale of fermented drinks, and the potential temperance sentiment in the different communities was not allowed full expression. On the other hand it was equally well recognized that a test of the new system must precede further changes, and that such would be useless unless fully supported by public opinion.

The new law marks on the whole a distinct forward step. The wholesale limit has been raised from 40 to 250 liters, and a monopoly of all sale of spirituous liquors practically secured for the companies. No company can be established except on the vote of all taxpaying men and women, over twenty-five years of age. This local option measure is very conservative and strives to guard against a hasty introduction of local prohibition where conditions are not ripe for it. Commercial agents are prohibited from soliciting orders for liquors from private persons, and the duties are in the main, prohibitive.

While the companies are more and more acquiring control of the sale of fermented drinks, it was deemed unwise as yet, to grant them

a complete monopoly of this traffic ; but it is only a question of time when this will be done.

A noteworthy change has been wrought relative to the distribution of the net earnings of the companies. Formerly, the whole amount was expended by the shareholders in conjunction with the local authorities for objects of public utility. This method involved a temptation to increase the sales for the sake of the additional revenue accruing to the communities, as the objects of public utility subsidized were not infrequently of a distinctly communal character. Now, the companies are only permitted to retain twenty per cent of the net profits, to be expended for total abstinence societies and other institutions of philanthropic nature ; fifteen per cent go to the municipality, and is *in lieu* of the former tax on consumption which was retained by it, and the remaining sixty-five per cent to the State treasury, to constitute a fund for the insurance of working people and aged persons.

It is estimated that as a result of the new law—lack of space forbids an enumeration of many of its provisions—the consumption of distilled spirits will annually be reduced by at least twenty per cent. The new Norwegian legislation is in advance of that of both Sweden and Finland and exhibits the best development of the company principle.

**Yale University.**—*Instruction in History and Political Science.* Some interesting statistics which may serve to indicate the growing interest in the social sciences are to be found in the *Yale Review* for November. Ten years of a partial and finally complete elective system show a growing demand at Yale for history and political science at the expense of modern languages including English while natural and physical science has about held its own. There are tables to show that the *general* interest in the social sciences has grown as well as a *special* interest on the part of those devoting a large share of their time to these subjects.

Comparing the Class of 1894 with the Class of 1886 for the Junior and Senior years, we find that five per cent more history and fourteen per cent more political science courses were chosen by the Class of 1894, while the same class chose four per cent less English, eleven per cent less of modern languages and two per cent less mathematics. Such conditions of affairs have caused corresponding changes in the growth of the instruction given. Comparing the Classes of '94 and '86 again, the former received 150 per cent more instruction in political science, forty-three per cent more in history and thirty per cent more in modern languages other than English, twenty-two per cent less instruction in English, twenty-one per cent less in mathematics,

seventeen per cent less in ancient languages and eleven per cent less in mental and moral philosophy.

**College Settlements.**—*The Fifth Annual Report* of the College Settlements' Association,\* containing the reports of the three Ladies' Settlements in Boston, New York and Philadelphia, respectively, which are under the care of or assisted by this association, indicates to some extent the interest in slum work and its tendencies. Reports can be obtained from Miss C. L. Williamson (3230 Michigan Ave., Chicago), the secretary of the association, or on application to the settlements direct (New York, 95 Rivington St.; Philadelphia, 617 Carver St.; Boston, 93 Tyler St.).

The association is a national union of college women formed in 1890, after its leading spirits had already made a start in the New York Settlement, with chapters in the leading women's colleges and many members among both graduates and undergraduates who contribute money and work looking to the equipment and advancement of the work at the settlement. The association with over 800 members raised last year (fiscal year, September, 1893, to September, 1894) nearly \$4700 from membership fees and \$1000 more from donations for fellowships and other purposes. From the association's funds a regular annual appropriation of \$3000 goes to the New York Settlement which covers only about three-eighths of the cost of the work in that city; \$600 goes to the Philadelphia Settlement and \$600 to the Boston Settlement—in both cases only a small part of the cost. The general association and the three settlements spent together on this work last year about \$20,000. A new feature of last year's work was some relief work necessitated by the hard times. That this was done in most cases much more wisely than that done by the public at large may be inferred from Miss Helena S. Dudley's detailed report† of the work done in Boston. The fellowships yielding \$300 each are held by those studying special problems; much faithful labor has been spent by those who held these fellowships in good scientific work and the results should be made public. The subjects studied last year were (1) "Receipts and Expenses of Wage Earners in the Garment Trades," by Miss Eaton; (2) "The Obstacles to Sanitary Living Among the Poor," by Miss Woolfolk, and (3) "Diseases and Accidents Incident to Occupations," by Miss Woods. The results of these inquiries are presumably in the hands of Miss M. A. Knox, Chairman of Committee on Fellowships, Wellesley College, Mass.

*Hull House* in Chicago expects soon to publish a book entitled "Hull House Maps and Papers." It will contain many sociological

\* Pp. 49. Philadelphia, 1894.

† Published in the *ANNALS* for November, 1894. Vol. iv. p. 377.



maps which are being carefully prepared to show population, the nationality of the people by colors and a schedule of wages, showing the family income by the week—all to be set forth in colored maps. Hull House in addition to its regular work this winter is making some experiments in a co-operative enterprise and trying to establish a women's wayfarers' lodge where employment will be furnished to those in temporary need of shelter. An attempt will be made also to open in the business portion of the city a club-room and restaurant for the accommodation of people, living in the neighborhood of Hull House, but having business connections down town. The building is located near the Art Institute, and it is intended to furnish certain facilities to members of this Institute now resident in Hull House neighborhood. The parlors will be used for giving popular lectures on the University Extension plan, during the noon time for rest and will also furnish meeting rooms for certain of the trades-unions.

**Charities.**—*The report of the Twenty-first National Conference of Charities and Correction* has recently appeared, and while it is not as encyclopædic in character as that of the Chicago Conference, it contains much of interest. The conference was held in May at Nashville, Tenn. Charity Organization in large cities was reported upon by Dr. J. W. Walk, of Philadelphia, and its peculiar test during the period of distress last winter was discussed. Professor Willcox, of Cornell, presented a paper on the "Relation of Statistics to Social Science," and Mr. W. D. Fulcomer has a paper on "Sociology in Institutions of Learning," in which he predicts that sociology will be the leading study in all colleges at the beginning of the twentieth century. The next conference will be held in New Haven, Conn., in May, 1895.

*Reports of the relief work* of last winter in various cities have appeared in rapid succession. A brief summary of the work done in some thirty cities and counties is to be found in the printed proceedings of the American Social Science Association, but a full review and a discussion of the significance of the work and its results remains to be written. There is material for a valuable study in the detailed reports of the Baltimore, Boston, New York, Philadelphia and Pittsburg Committees alone.

*The Social Science Department* of the Civic Club of Philadelphia has decided to issue as soon as possible a new directory and manual of Philadelphia Charities. No complete publication of this kind has appeared in Philadelphia since the manual published by the Charity Organization Society in 1879.

*The Charity Organization Society* of New York City has met a much needed want in keeping open a *night* office, which is open Sundays and weekdays until midnight. Persons who believe in the Charity

Organization Society principle of giving no relief until investigation is made are often embarrassed by applicants who ask help on the street or at one's house in the evening. To give a card to the superintendent of the local Charity Organization Society seems useless, as the applicant is usually in immediate need of food and lodging, and there is nothing left but to send him to a wayfarers' lodge if such exists in the community, and perhaps even then he will find no room. The average number of applications at the night office of the New York Society (in May the average per night was fourteen; June, nine; July, five; August, seven; September, eight, and October, ten, undoubtedly the figures for the winter months will be larger) suggest the advisability of some experiment in this line in other places. No effort is too great to place Charity Organization principles beyond reproach.

*The Provident Loan Society* of New York has now been in operation for many months and is conducting along very conservative lines, but it is believed to be doing a good work among the needy poor who can often best be helped by temporary loans on an honest and moderate-charge basis which cannot always be had from pawnbrokers. In the first five months of its existence the New York Society loaned \$164,000 in amounts averaging \$15.25 per person. Over 2000 borrowers have already redeemed their pledges, the amount loaned being over \$47,000. The usefulness of this society can doubtless be extended when its work is better organized by less conservatism in the character of pledges (now only articles of small bulk and easily handled are taken) required and perhaps in the limits in amounts loaned.

*A Philadelphia Loan Society* has been organized and over \$75,000 subscribed in stock. Its plans are sketched in a special report by Mr. Rudolph Blankenburg on schemes for lending and borrowing money, embodied in the Report for 1893-94 of the Citizens' Permanent Relief Committee.

*Miss Emily Greene Balch, A.B.*, whose monograph on public assistance of the poor in France\* was welcomed last year, has started a course of sixteen Saturday morning lectures in Boston on "Crime and Pauperism." In addition to these public lectures a class meets on Fridays for the reading of papers and holding of discussions for those who may be willing to give at least two hours a week to outside study and to prepare at least one original paper. This is an excellent opportunity for persons identified with charitable work to prepare themselves for greater efficiency. The real meaning and bearing of many of the problems of practical charity work are not realized by young students, not even always by those in college, and if more classes of this sort

\* Publication of the American Economic Association, Vol. VIII, Nos. 4 and 5, July and September, 1893. Pp. 179. Price \$1.00, Ithaca, N. Y.

were organized by competent persons in all our large cities and those actually working in public and private charities could be induced to devote some time to systematic study of underlying principles and the work in other places, much good may be accomplished.

*A praiseworthy effort* has just been made in Baltimore to bring the expensive luxury of good music well rendered within the reach of all who care for it. Much effort has been made to arrange a popular series of organ and voice recitals at a cost of ten cents each. Attractive programs of the best class of music, giving historical notes on the composers and references to books (with numbers) in the Pratt Library, were issued, and tickets placed on sale in all the large factories and places where the working people were to be found. It is too soon to speak of results, but there have been many indications of appreciation from the right quarters.

**Department of Labor, Washington, D. C.**—*The last report* issued by the department is its ninth annual one, and is a comprehensive discussion of the building and loan associations of the United States. The report on the slums of the large cities which has been much commented upon by the press, to which advance sheets were issued, is still in the printer's hands, but will be ready for public distribution in the near future. Dr. E. R. Gould's report on the housing of the poor, which is a valuable compendium of existing conditions both in this country and in Europe, is now going through the last stages of verification, and will be presented to Congress as soon as possible. It may be ready for public distribution in March.

The United States Strike Commission, of which Mr. Carroll D. Wright, Chief of the Labor Department, was chairman, has reported on the Chicago strike to Congress, but the report has not been separately printed as yet. Request for copies should therefore be addressed to members of Congress.

#### CURRENT BIBLIOGRAPHY.

Four volumes of the proceedings of the International Congress of Charities, Correction and Philanthropy at Chicago in 1893 have been issued by the Johns Hopkins Press, Baltimore. These with the remaining volumes to be issued will form a veritable encyclopædia of information on these topics of the most valuable kind, because it has been gathered from so many able sources. The volumes now in print are:

"The Organization of Charities." Edited, with an introduction, by DANIEL C. GILMAN, President of Johns Hopkins University. Cloth. Pp. 319. Baltimore, 1894.



"Hospitals, Dispensaries and Nursing." Edited by Drs. JOHN S. BILLINGS and HENRY M. HURD. Cloth. Pp. 719. Baltimore, 1894.

"The Public Treatment of Pauperism." Edited by JOHN H. FINLEY, President of Knox College. Cloth. Pp. 319. Baltimore, 1894.

"Sociology in Institutions of Learning." Edited by Dr. AMOS G. WARNER. Paper. Pp. 127. Baltimore, 1894.

"Strategic Points in Christian Sociology," by WILBUR F. CRAFTS, is the title of a twenty-five-page pamphlet reprinted from *Our Day* for May and June, 1894. It is intended as a suggested course of study for sociological circles, clubs or institutes. Though decidedly a special pleader for one and only one method or way of approach for the study of society, Mr. Crafts is often very suggestive in his outlines. His bibliographical references, which are not very complete or satisfactory, seem to indicate that he has special social problems mostly in view, though his discussion often suggests much thought upon questions of social evolution and structure.

Recent foreign publications in book form of special interest to students of sociology are :

"*Les règles de la méthode sociologique*," par EMILE DURKHEIM. Paris, 1895. Félix Alcan. Pp. 186. Price, 2 fr. 50.

"*Les Gaspillages des sociétés modernes*," par J. NOVICOW. 1894. Paris : Félix Alcan. Pp. 344. Price, 5 fr.

"*La Criminalité politique*," par LOUIS PROAL. Paris, 1895. Félix Alcan. Pp. 307. Price, 5 fr.

"*La vie sociale—La morale et le progrès*," par JULIEN PIOGER. Paris, 1894. Félix Alcan. Pp. 256. Price, 5 fr.

"*La logique sociale*," par G. TARDE. Paris, 1895. Félix Alcan. Pp. 464.

"*Der Central-Verein für das Wohl der arbeitenden Klassen in 50 jähriger Thätigkeit*." Berlin, 1894. L. Simion. Pp. 56. Price, 1 mark.

"*Auguste Comte und seine Bedeutung für die Entwicklung der Socialwissenschaft*." von HEINRICH WAENTIG. Leipzig, 1894. Dunker und Humblot. Pp. 393.

Among the recent magazine articles, the following may be mentioned :

"Report of the Labor Commission." L. L. PRICE; "Mr. Charles Booth on the Aged Poor." C. S. LOCH. *Economic Journal*, London, September, 1894.

"Fundamental Beliefs in my Social Philosophy," R. T. ELY; "Ely's 'Socialism and Social Reform,'" A. T. HADLEY; "The Contented Masses," OCTAVE THANET. *Forum*, New York, October, 1894.

"Luxury," HENRY SIDGWICK; "Limits of Individual and National Self-Sacrifice," F. H. BRADLEY; "Women in the Community and in the Family," MARY S. GILLILAND. *International Journal of Ethics*, Philadelphia, October, 1894.

"Lectures on Social Pathology," by Dr. J. W. WALK. *University Extension*, Philadelphia, September, 1894.

"Removal of Children from Almshouses," by HOMER FOLKS. *Lend a Hand*, Boston, September, 1894.

"The Significance of Modern Poverty," by W. H. MALLOCK. *North American Review*, New York, September, 1894.

"Assimilation of Nationalities," by RICHMOND MAYO-SMITH. *Political Science Quarterly*, New York, September, 1894.

"The Charities of New York," by JOHN P. RITTER. *Social Economist*, New York, September, 1894.

"French Prisons and Their Inmates." ED. R. SPEARMAN. *Contemporary Review*, London and New York, October, 1894.

"Church vs. State in Concerns of the Poor." M. O'RIORDAN. *Catholic World*, New York, November, 1894.

"The Report of the Labour Commission." *Edinburgh Review*, London and New York, October, 1894.

"The Temperance Problem: Past and Future." E. R. GOULD. *Forum*, New York, November, 1894.

"The New Sociological Revival." L. J. JAMES. *Social Economist*, New York, November, 1894.

"Are the Italians a Dangerous Class?" I. W. HOWERTH; "Charity Organization and Labor Bureaus." J. H. HYSLOP. *Charities Review*, Galesburg, Ill., and New York, November, 1894.

"*Les projets de réglementation du contrat de travail en Belgique*," par M. CH. DEJACE; "*L'institution des biens de famille en Italie*," par M. SANTANGELO SPOTO. *Reforme Sociale*, Paris, November 1, 1894.

"*Rapport sommaire sur les travaux de la société Belge d'économie sociale pendant sa 13<sup>e</sup> session*," par M. VICTOR BRANTS. *Reforme Sociale*, Paris, November 16, 1894.

MARCH.

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POLITICAL AND SOCIAL SCIENCE.

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ELECTED OR APPOINTED OFFICIALS?  
A CANADIAN QUESTION.

I.

The subject to which I am about to direct the attention of the members of the Academy is not simply a question in which the Canadian people alone have a deep interest. On the contrary I think I shall be able to show, before I have concluded my argument, that it necessarily brings up considerations affecting the political system of the United States, and is consequently of much importance to all who are interested in the problems of government, federal, state and municipal, on this continent, and are endeavoring, with patriotic zeal, to reach a solution that will remove many difficulties and evils that are now deeply injurious to the working of democratic institutions.

Some months ago the government of the Province of Ontario, which comprises nearly one-half of the total population of the Dominion, and is in every way the most wealthy and influential section of the federation, appointed an important commission, composed of one of the ablest judges of the Canadian bench, Mr. Chancellor Boyd, of the Honorable



John Beverly Robinson, late lieutenant-governor, and of three other gentlemen of less national repute, but chosen from their knowledge of county and municipal affairs. The object of this commission is to consider the best mode of appointing and paying a certain class of provincial officials. Its significance lies in the fact that it indicates the existence of a disturbing element in the province, having in contemplation a change in the present mode of nominating and appointing public officers by the crown or lieutenant-governor on the advice of his constitutional council; that is to say, by the cabinet or ministry, who are responsible at once to the crown and to the legislative assembly in which they have seats, and by whose support only they can retain office. An agitation has been commenced which has, happily, not extended beyond a very limited area of influence in this one province, to make certain appointments elective, as in the United States, or else give them to the municipal councils of the counties. This agitation has obtained a slight headway by the fact that it is fostered by a few politicians who have either not given the subject the least reflection, or felt they can gain an evanescent political advantage by concurring in the opinions that appear to be entertained in some rural constituencies where sound principles of political science are not well understood, or where the hope of obtaining control of a few important public offices has outweighed those considerations of sound public policy and public interest which lie at the foundation of the present system of appointments. Although, as I have already said, the movement is not supported by any large section of people—indeed, the inquiry before the commissioners fully proves that fact—still the existence of the commission gives a positive gravity to the subject which otherwise, possibly, it would not have, and renders it necessary that all those who value the welfare of the community—for its welfare is obviously involved in its conditions of government—should seriously consider the matter in all its bearings with the view of informing the

public mind in case it has doubts, and of leading it from any fallacious conclusions to which a few thoughtless persons have been attempting from time to time of late to lead public opinion in a province whose action on political or other questions naturally attracts much attention throughout the Dominion.

## II.

In order that all the issues involved in the inquiry before the commission may be thoroughly understood it is necessary that I should at the outset make some explanations with respect to the present system of appointing and paying officials, and in doing so I may state that the one which obtains in Ontario, is that of all the other provinces of Canada—in fact, the system which has come from England in accordance with the principles of parliamentary or responsible government, and prevails from one end of the Dominion to the other, including the Northwest territories. At the present time there are in the Province of Ontario the following functionaries and officials, legislative, executive, administrative and judicial, who legislate, expound the law, and administer the affairs of the province generally, in accordance with the British North America Act of 1867, which is the fundamental law which regulates the jurisdiction of each province within its territorial and legal limits:

1. *The Executive Department*: A lieutenant-governor, appointed practically for five years, and removable for cause by the governor-general in council—that is, by the government of the Dominion.

An executive or advisory council, composed of the following ministers, called to office by the lieutenant-governor, having seats in an assembly, elected by the people, and holding office only as long as they retain the confidence of the majority of that house: an attorney-general, generally the prime minister, as at present; a commissioner of crown lands, a commissioner of public works, a provincial secretary, a provincial treasurer, a minister of education, a

minister of agriculture, and sometimes, as now, one or more executive councilors without a departmental office.

Under these several executive and administrative political heads there is a large permanent body of public officials, consisting of deputy ministers, secretaries and clerks, who perform all the duties that devolve on the several departments in accordance with law and custom. The officers and clerks come under statutes regulating appointments and promotions. Every candidate for a clerkship at the seat of government enters, after an examination as to qualifications and character, on a probation of six months. No appointment or promotion can be made except under the authority of the lieutenant-governor in council, upon the application and report of the head of the department in which it is to be made.

2. *The Legislative Department*: The lieutenant-governor, who is not only the executive, but the first branch of the legislature\*; a legislative assembly, consisting of ninety-four members elected by universal suffrage (only limited by a short residence and actual citizenship), for a term of four years, unless sooner dissolved by the lieutenant-governor acting in his executive capacity. Attached to the legislative assembly are a speaker, elected by the house; a clerk, a sergeant-at-arms, appointed by the lieutenant-governor in council, and a number of clerks, messengers and pages appointed by the speaker and government.

3. *The Judicial Department*: A supreme court of judicature, consisting of a court of appeal, composed of a chief justice and three justices; a high court of justice in three divisions, as follows: queen's bench, with a chief justice and two justices; chancery, with a chancellor and three justices; common pleas, with a chief justice and two justices.

All the foregoing justices are appointed and paid by the

\* At the present time, of the seven provinces of the federation only two have an upper chamber, or legislative council—Quebec and Nova Scotia. Ontario has had none since 1867, when the union was inaugurated. The legislature of the territories also has only an elective assembly.



Dominion government, and can be removed only for sufficient cause by an address to the governor-general from the two houses of the Dominion parliament. In connection with this supreme court of judicature there are five registrars, ten clerks, seven criers and minor servants, all appointed by the lieutenant-governor in council. Their salaries are, as a rule, fixed by law, and all fees received by them are payable into the public treasury.

In addition to this supreme court, there are the following judicial officers:

County judge—in the majority of cases, a senior and a junior in each county—appointed, paid and removable for cause by the Dominion government. Surrogate judge, whose duties are generally performed by a county judge under the provincial statute; master in chambers, master in ordinary, official guardian, inspector of local offices, inspector of titles, accountant of supreme court, inspector of public offices, clerk of the process, clerk of assize, reporters, shorthand writers, master of titles—all of whom, as well as a number of minor clerks and servants, are appointed by the lieutenant-governor in council. Several of these offices may be held by one person at the same time.

The civil service act, it is necessary to mention here, can be applied to the master in chambers, master in ordinary, registrars of the court of appeal and of the several divisions of the high court of judicature, accountant, surrogate clerk, clerk of records and writs, clerk of process, and clerk in chambers. The statute, however, leaves this within the discretion of the lieutenant-governor in council.

4. *Provincial Officers in Districts:* The foregoing officers, for the most part, are connected with the supreme court of judicature, which reside at the political and judicial capital, the city of Toronto. But in order to make this review as intelligible and valuable as possible, I shall also specify the various officers and other persons connected with the whole public and municipal service, as necessarily involved in the

argument and in the conclusion to which I wish to come. In every county of the province there are, in addition to the county judges mentioned above, the following executive and *quasi* judicial officers: Sheriff, local and deputy master, deputy registrar of the high court of justice, deputy clerk of the crown, clerk of county court, registrar of surrogate court, county crown attorney, clerk of the peace, coroner, division court clerk, division court bailiff, criers and constables.

In addition to the foregoing officials, we have in the large cities and towns of the province one hundred and twelve police magistrates.

All these officials, as enumerated above, are appointed by the lieutenant-governor in council. Police magistrates are paid fixed salaries, but sheriffs, registrars, and other persons in the list receive fees, out of which they pay their own salaries and all the expenses of their respective offices. In the case of registrars the salaries are regulated by statute, as I shall show presently. Every officer receiving fees must send a return of the same every year to the proper authority at Toronto, and it is published in the official statement laid before the legislature. The division courts, registry and other offices are regularly inspected by officers appointed by the lieutenant-governor in council.

5. *Municipal Councils* : Warden of county, appointed by every county council, from among the reeves and deputy reeves that compose that body. Mayor of city and town elected by the ratepayers on a general vote. Reeve and head of township and village councils, elected, as a rule, by ratepayers in such municipalities. Aldermen in cities, councilors in towns, villages and townships, elected by the ratepayers in their respective municipalities, to constitute the councils thereof. All these municipal authorities are annually elected in the month of January.

Attached to these several municipal corporations are the following officers, appointed in all cases by the councils: Clerk, treasurer, assessment commissioner in some cities,

city engineer, assessors and collectors, auditors, valuers, pound-keepers, fence-viewers, overseers of highways, road surveyors, road commissioners, game inspectors and other officials necessary for the administration of municipal affairs. All important officers, like clerks and treasurers, remain in office during good behavior.

High school trustees are appointed by the councils of the municipalities. Public school trustees are elected by the ratepayers in the several municipal divisions. Inspectors of public schools are appointed by county councils for counties, and by board of trustees for cities, from persons who have a regular certificate of qualification according to the regulations of the educational department. Inspectors of high, normal and model schools are appointed by the government.

6. *Special Classes of Officials*: In addition to the foregoing municipal officers there are the following classes of officials of a special character, and confined to a few localities: Chairman and members of provincial board of health, appointed by the lieutenant-governor in council. Superintendent, officers and servants of reformatories, by the lieutenant-governor in council; superintendent and bursar of insane asylums, by the same authority; keepers and attendants, by the superintendent; inspectors of prisons, public charities, asylums and reformatories, by lieutenant-governor in council; keepers and turnkeys of county gaols, by sheriff of county; but the appointments are subject to the approval of the lieutenant-governor in council, and salaries are fixed by the county councils. Constables in charge of lock-ups in municipalities, by the magistrates in courts of general sessions. High and other constables, by the general sessions, or county judge or police magistrate; members of the police force in cities by the board of commissioners composed by law of the county judge, police magistrate and the mayor; in municipalities where no such board exists the appointment of peace officers rests with the councils.



## III.

From the foregoing summary of the legislative, administrative, judicial and municipal machinery of the province, from the head of the executive to the crier or pound-keeper, it will be seen that there are practically no persons having executive or ministerial functions to perform—apart, of course, from the political heads—who are elected by the people. The legislative functions of government are kept distinct from the purely administrative and judicial departments. The people legislate and govern through their representative assemblies, in accordance with the wise principles of English government. They elect in the first place to the provincial legislature men to legislate for the whole province; in the next place, they select councilors, mayors and reeves, to legislate for them in certain definite municipal divisions, on such matters as local taxes, sewage, water, and other necessities and conveniences of life, as provided and limited by the law of the general legislature. The head of the executive authority and also of the legislative branch is the lieutenant-governor, who holds his office by virtue of the highest authority of the Dominion, and quite independently of the provincial government. His advisers, the executive council, are not appointed directly by the legislature, to whom they are responsible, but by the lieutenant-governor whose choice, however, is limited by the unwritten law, or the conventions and maxims of the constitution, to those representatives who have the confidence of the majority of the people's house. All provincial or public officials, apart from municipal officers, are appointed by the lieutenant-governor on the advice of his council. The sheriffs, registrars, county clerks, and those other officials in counties, already enumerated, are not appointed or even nominated by the councils of those districts, but by the Ontario government, since their duties are provincial in their nature. The students of English history will remember that the sheriff or shire-reeve was one of the most

important judicial officers of early English times. While acting in a representative capacity he was elected and presided over the *scirgemot* or shire-mote. But many centuries have passed since he was deprived of his important functions in the administration of the king's justice, and became a crown officer, performing important executive and ministerial duties in connection with the courts. Such officers as masters, county clerks, county attorneys, and clerks of the peace as well as others, having certain defined duties to discharge in the courts, are also essentially crown appointments. The fountain of justice is the crown as represented in the courts, and it would be an anomaly in the English or Canadian system to make such officers elective or to hand them to merely local administrative bodies of a limited sphere of authority like municipal councils. Even in the case of the municipalities it has been considered wise to limit the privileges of the people, and give their representatives alone the right of electing such officers as clerks, treasurers, auditors, who have clerical and ministerial duties to perform, and whose qualifications can be best tested and understood by a small body of chosen men. The most important county officer, the warden, is not elected by the people generally, but by a special body of men, the reeves and deputy reeves, or heads of councils of the townships of the county municipality. The heads of councils in cities and other municipalities, into which the county is divided, are elected directly by the ratepayers of those municipal divisions,—a departure apparently from the principle observed in the case of the warden, and other officers of the municipalities. Experience shows that the election of such heads of councils, who are elected on short terms of office, only for one year in all cases, and may have no experience whatever of municipal work, does not work very satisfactorily in cities, where knowledge and experience, longer tenure of office, and larger control over work of administration are so very desirable.

Before I continue this argument it is interesting to compare the foregoing list of persons engaged in Ontario in legislative, administrative, judicial and municipal work, with similar classes in the great State of Ohio, whose natural resources, population, educational and political progress and wealth naturally lead one to make comparisons with the Canadian province.

At the present time citizens in Ohio vote for the following classes of officers and representatives: \*

1. Federal Officers: Electors of the President of the United States, once in every four years. Members of the House of Representatives of the United States, once in every two years.

2. State Officers: Members of the board of public works, (for three years' term); judges of the supreme court (for five years), once in each year. Governor, lieutenant-governor, secretary of state, treasurer, attorney-general, State senators (elected in each territorial district), members of the State House of Representatives (elected in each representative district), once in two years. State commissioner of common schools, clerk of the supreme court, once in three years; auditor of the State, once in four years.

3. District Officers: Circuit judge (for six years), once in two years. Judge of the court of common pleas (for five years), once in five years. Member of the State board of equalization, once in ten years.

4. County Officers: County commissioners (for three years), infirmary directors (for three years), once in each year. County treasurer, sheriff, coroner, once in two years. County auditor, recorder, surveyor, judge of probate, clerk of court of common pleas, prosecuting attorney, once in three years.

5. City Officers: Members of the board of police commissioners (in the majority of cities), members of board of

\* I have taken the foregoing list from Bryce's "American Commonwealth" (II, pp. 430, 431. First ed.) after comparing it with the latest edition of the "Ohio Voters' Manual." This list, as given above, omits all officers appointed by councils, as not material to my argument.



infirmiry directors (for three years), trustee of water-works (for three years), once every year. Mayor, city clerk, auditor (if any), treasurer, solicitor, police judge (in large cities), prosecuting attorney of the police court (in large cities), clerk of the police court (in large cities), city commissioner (in second-class cities), marshal (only in small cities), street commissioner, city engineer and fire surveyor (when elected at the polls, as city council determine), superintendent of markets (when elected at the polls as city council determine), all once in two years.

#### IV.

It will be seen from the foregoing comparison between a great Province of Canada and a great State of the Federal Republic, that the legislative departments of both countries—the House of Commons of the Dominion and the Legislative Assembly of the Province, and the House of Representatives of the National Congress, and the two houses of the State Legislature—are elected directly by the people in their respective electoral districts. That is to say, the principle of electing men who act in a legislative and representative capacity is strictly observed in each country. But here the comparison practically ceases. In the Province of Ontario all public officers who may be compared with those in Ohio—and a reference to the two lists will show that both countries have necessarily similar classes of officials—are appointed by some permanent or responsible authority, removed from direct popular influence, while in the American State they are elected by a vote at the polls in all cases. The mayors and reeves of Ontario, as I have already said, are somewhat exceptional, but their terms of office are very brief unless they are re-elected,—which frequently happens,—and they do not fall within the strict category of such permanent executive, clerical or administrative officials, as clerks, treasurers and auditors, who are appointed by the councils in Canada

while they are elected directly by the people in Ohio. In that State, as Dr. James Bryce has pointed out, there are twenty-two different paid officers—including, for argument sake, legislators in that class—which a voter annually has to allot by his vote; that is to say, "he must in each and every year make up his mind as to the qualifications of twenty-two different persons or sets of persons to fill certain offices." "As nearly all these offices are contested on political lines," continues the same high authority, "though the respective principles (if any) of Republicans and Democrats have no more to do with the discharge of the duties of the State and local offices than the respective principles of Methodists and Baptists, nominations to them are made by the respective party organizations. Candidates for all, or nearly all the foregoing offices, are nominated in conventions composed of delegates in primaries." On the other hand, in Ontario, the electors have to consider the claims of candidates for election to the House of Commons of the Dominion only once every four or five years (unless sooner dissolved, and that happens only under very exceptional circumstances), and of candidates for election to the House of Assembly of the Province only once every four years (unless sooner dissolved, which only happens under rare circumstances). All public officers connected with those legislative bodies, or with the public service, are removed from the immediate operation of these elections since their tenure is permanent, and certain classes of appointments, *when vacant*,—such as shrievalties, registrarships, county attorneys, etc., are alone influenced by the result, since political patronage necessarily rests with the successful party as an incident of party government. I ask my readers to keep these important facts in view when I come to show the positive advantages the public derive from the infrequency of elections, and from the checks that are imposed on popular caprice, prejudice and passion by the system of appointments to all offices of an administrative or judicial character.

## V.

As I have previously shown, it is not a question of electing judges or the officers immediately connected with the civil service that is directly at issue, but the discussion is confined for the present in Ontario to certain persons whom it is attempted to class as county officers. But the nature of the discussion will best be understood by referring to the following questions which appear in the circular that has been distributed among those who have been called upon to state their opinions on the subjects of the inquiry before the provincial commission:

“Assuming that the following officials are those under consideration :

Registrars of deeds,  
Local masters,  
Sheriffs,  
Local and deputy registrars of the high court of justice,  
Deputy clerks of the crown,  
Clerks of county courts,  
Registrars of surrogate courts,  
County attorneys and clerks of the peace,  
Division court clerks,  
Division court bailiffs—

“Do you approve of the appointment of any, or all, of the above officers being in the hands of the provincial government (as at present), or should they, or any of them, in your opinion be otherwise selected; if so, by whom, and for what reasons?

“If you advocate a change in the mode of appointment of any of the above officers, how, and to what supervision should the officer be amenable for efficient and faithful performance of duty during the term of office?

“Do you approve of the system of paying any, or all, the above officers by fees (in whole, or in part as at present)? If not, what other or better plan do you suggest, and for what reasons?

“If you approve of election by the people of the above officers, or any of them, what method of public inspection, during the term of office, do you suggest for securing uniformity of procedure, and the safety of the public?

“If you approve of selection by the municipal council, what method of public inspection do you suggest with a view to securing the objects mentioned in the previous question?”



It will be seen that there are practically two questions involved—one in relation to the payment of public officials, and the other in relation to the mode of appointing them. It is the latter question which is of greatest importance, since on its judicious solution rests, in a large degree, the future efficient and honest administration of government; but before I give my reasons for this emphatic opinion it will be well if I dispose of the first or subordinate question of salaries, which has its interest for American readers since so many important officers are also paid by fees in the several States. The majority of the officers in question are paid by fees regulated by statutes applicable to their respective offices, but it is only sheriffs and registrars who receive a large amount of money paid this way, and whose salaries, in some instances, are believed to be larger than their services merit. As a rule the sheriffs are paid entirely by such fees as remain to them after paying all the necessary expenses of their office. The registrars are also entitled to a certain amount of the fees that they collect under the law, but the statute regulating their office limits the sum they can retain for their own use up to \$2500. Beyond that amount they can retain:

Ninety per cent in excess of \$2500, and not exceeding \$3000.						
Eighty	"	"	"	3000,	"	3500.
Seventy	"	"	"	3500,	"	4000.
Sixty	"	"	"	4000,	"	4500.
Fifty	"	"	"	4500.		

This regulation appears to bring the salaries of registrars, as a rule, within a very moderate amount, while it appears from the official returns yearly made to the government of the gross and net amounts of fees collected by the sheriffs and other officers named above, none of them are paid what may be considered in any sense extravagant sums or beyond what they ought to receive in view of their responsible and onerous duties; indeed, in the new and thinly populated districts, the government is, by the law, obliged to make up the deficiency of fees, and pay them an amount which will

bring up their salary to at least \$900 or \$1000. The following tables will show fairly enough for our purpose the average amount received in cities and counties of the province by the officers in question.

*In the county of Carleton, which has a city, Ottawa, within its limits :*

Sheriff, average salary for five years previous to 1893, . . . . .	\$3031
Surrogate judge (held by county judge), commuted at, . . . . .	500
{ Local master,* average for five years, . . . . .	2294
{ Deputy registrar,* " " " . . . . .	639
{ County attorney,* " " " . . . . .	540
{ Clerk of peace,* " " " . . . . .	1062
{ Deputy clerk of crown,* " " " . . . . .	812
{ County court clerk,* " " " . . . . .	934
{ Surrogate registrar,* " " " . . . . .	920

*County of Huron, without a city:*

Sheriff, average salary for five years, . . . . .	\$2013
Surrogate judge, commuted at, . . . . .	792
Local master and deputy registrar,* commuted at, . . . . .	1250
{ County attorney,* average for five years, . . . . .	564
{ Clerk of peace,* " " " . . . . .	862
{ Deputy clerk of crown,* " " " . . . . .	830
{ County court clerk,* " " " . . . . .	710
{ Surrogate registrar,* " " " . . . . .	1191

Then there are the salaries of registrars, who received in 1893, in the most populous legal divisions—the city of Toronto, East and West—fees to the gross amount of \$24,797 and \$16,719 respectively, of which the registrars received under the statutory limitations from \$4000 to \$4500 each. As a rule, \$3000 is the highest average amount received as salary in the counties, and \$500 is the lowest in a very few and small municipalities.

Much misconception exists as regards the amount of salaries received by the sheriffs and registrars, and has consequently originated the present agitation on the subject; but the figures I have just given clearly show that none of these officers are overpaid, as is the case with sheriffs, county

\* The offices named in the brackets may be, and are generally, held under the law by the same person.

clerks, and other officials, elected by the people in some cities and counties of the States of the American federation. In the case of registrars the law practically recognizes the advisability of limiting the fee system, and of fixing salaries as far as possible. For my own part I agree with those who believe that fixity of salary and permanency of tenure are the true principles to be followed in the case of all public officials. Every officer should receive an exact sum, equivalent to the value of his service to the public, and commensurate, of course, with his position and responsibility. Especially should the responsibilities of sheriffs be carefully considered in case of a change of system. These officers are liable to litigation arising from the mistakes of their deputies and agents. Consequently, in fixing their salaries it is important that not only their dignified position as the highest executive officer of the courts, but also their legal responsibilities should be borne in mind, and they should be saved from all personal losses which do not accrue from any ignorance or carelessness on their part. One thing is quite certain, that such officers should have full control over the appointment of their deputies and officers, for otherwise it would be unfair to make them responsible for the acts of officers through whom they necessarily execute many of their functions. But while we may see the difficulty of a change of system in the case of sheriffs, there is none in respect to the other officials in question, and they should receive a fixed salary from the public treasury, and pay into it all fees they collect by virtue of their offices. As things are now, the fee system is not liable to the great abuses to which it is necessarily subject under the elective system in American States. Politics run high in Canada, but contributions to corruption funds are not made by public officials, and the political manager is unable to avail himself of the advantages which the fee system gives him in the States of the Federal Union in the case of candidates whose election depends on skillful party manipulation and all those arts



which the "machine" practices to carry their ticket. If the fee system were entirely swept away in every State of the Union, the party machine would be deprived of a large amount of funds that now periodically go to corrupt the electors and place certain professional politicians in office.

## VI.

Coming now to the important question at issue, it is suggested, for reasons which are entirely inadequate, to change the system which has always obtained in Canada, and give to the people a direct choice of certain public officers who are ministerial and executive, and have also important duties to perform in connection with the administration of justice. The crown, neither in England nor in Canada, has ever yielded its right to appoint such officers; in other words, such patronage has always been one of its prerogatives. In old times of English history, when the sovereign was attempting to push his prerogative to extremes and to limit the powers of the House of Commons—in those times when parliamentary government was in a process of evolution—offices were a prolific fund of corruption in parliament and constituencies. Now, with the limitation of the powers of the crown, the old prerogative right of appointments has been practically handed to the constitutional advisers of the sovereign, responsible to parliament. With the development of parliamentary government and the establishment of wise rules which regulate appointments and promotions to the permanent civil service, the flagrant abuses that crept into the old system and disgraced the whole body politic of England have gradually disappeared. The "spoils" system is entirely unknown in Great Britain. At the present time, says an authority \* on such subjects, "it is worthy of note that direct election to office—supposed to be characteristic of the democratic spirit—has no place in English political ideas. The few instances in which it occurs are regarded

\* Professor Robertson, M. P., LL.D., article, "Government," in *Ency. Brit.*

with indifference. The election of coroner by the electors is universally condemned. In the few parishes where the clergyman may be appointed by the parishioners, the right is often left to be exercised by the bishop." Canada, as in the case of her legal and political institutions generally, has closely adhered to the practice of the parent state with respect to appointments. In the years that preceded the establishment of responsible government in a complete sense—from 1791 to 1841-54—the appointment of public officials of all classes was in the hands of the governors, cliques and compacts. Those were the days of irresponsible officialism and family compacts, when Downing street ruled in purely local affairs, and favorites of governors and high officials were selected with an utter indifference to the wishes of the majority of the people, or the popular assembly. According to Lord Durham, who reported in 1839 on the state of affairs in Canada after the Rebellion of 1837-38, what was known in Upper Canada, now Ontario, as "the family compact"—a combination of aristocracy and officialism rather than a purely family connection—"possessed almost all the highest public offices, by means of which, and of its influence in the executive council, it wielded all the powers of government; it maintained influence in the legislature by means of its predominance in the legislative council; and it disposed of the large number of petty posts which are in the patronage of the government of the province." The executive councils in those days of struggle for popular government "enjoyed the confidence of no considerable party, whilst the family compact was in fact supported by no very large number of persons of any party." Such things were possible in days when the executive council owed no responsibility to the people or their representatives in the popular branch of the legislature.

From 1840 to 1854 a responsible ministry was established in all the provinces of the present Dominion, although soon after the legislative union of the Canadas in 1841 one of the

governors-general, Lord Metcalfe, attempted to make appointments without reference to his constitutional advisers, the last effort of prerogative attempted by a representative of the crown in Canada. Since those unsettled times, the rule that obtains in England has been carried out in all the provinces of Canada. All the appointments are made by the governor-general of the Dominion, and by the lieutenant-governors of the provinces in accordance with statute or usage. Such appointments, however, as shrievalties, registrarships, and other offices mentioned above do not come within the category of the appointments to the civil service, but are made by the government from their political supporters as a rule, and as a necessary sequence of party government. They are often, though not necessarily, made on the recommendation of a member and other influential persons supporting the government, whenever a vacancy occurs in the office;—removals for political reasons or "rotation in office" being unknown to Canada's political system—but in every case they are the subject of discussion in the executive council, which becomes directly responsible for the advice it gives to the lieutenant-governor, whose duty it is to inform himself thoroughly with respect to all nominations to office, before he signs the commission or order in council authorizing the appointment. Should he believe from facts that have come to his knowledge, that an appointment is most undesirable in the public interests—a very rare case indeed in Canadian political annals—it is for him to exercise that pressure which he can constitutionally exercise on all matters on which he is advised and his action is required. The legislative assembly, as a body, does not assume to make such appointments or to interfere directly with the legal powers of the executive authority in such matters; but it may, and sometimes does, sharply criticise and even censure the conduct of the executive with respect to appointments. In every case it has a right to the fullest information on the subject. Here is one of the advantages



of the system of parliamentary government, as worked out in England and Canada. The presence of the advisers of the executive—practically the executive itself—in the legislature, gives that body supreme control over its acts. A house divided into two contending parties, a government and an opposition, will not fail to give due importance to any aggravated case of the abuse of patronage. Any government or member thereof, that has been guilty of such abuse, is open to the fullest criticism in the legislature and in the public press. Nothing can be concealed from public view, and responsibility rests where it should. Every member of a government, under the English or Canadian system of parliamentary government, must act under a feeling of direct responsibility. Every such minister has his ambitions, and dare not in the face of public opinion to which he must submit himself sooner or later, make what would be a notoriously bad appointment. Personal qualifications, character and local sentiment in the district where the officer is placed, are all questions to be immediately considered by the member and the minister recommending the filling of the office. Of course there are defects in such a system as in all methods of government. Some appointments are weak, if none are notoriously bad; but they are on the whole good. The public service of Ontario, like that of Canada, generally has, as a rule, been creditable to the country, and remarkably free from political influences when men are once appointed to an office. Corruption and dishonesty are not charged against it as a class. Permanency of tenure, freedom from political intrigue, independence of popular elections, are the characteristics of the service.

Such satisfactory results, it is necessary to bear in mind, have been produced by the operation of responsible government. It is claimed that the system gives too much power to the executive authority since all patronage rests in their hands, but experience shows that the exercise of the power is on the whole decidedly in the public interest. An executive

should be strong under such conditions. If the government did not act under a sense of immediate responsibility to the legislature, if appointments were not limited by civil service rules of law, if all public officials had not practically a life tenure, then patronage would be dangerous as every American publicist and statesman knows full well.

It is impossible to believe that, were appointments in any cases taken from the lieutenant-governor in council and given to a county council—the less dangerous choice, were it a practical question between that method and election by popular vote—the public interests would be better served, and wiser appointments made. A greater responsibility must rest on a minister of the crown, and on the government who are responsible for the acts of each and all its members—on a government immediately amenable to the criticism and censure of the legislature, and later to the people at the polls—than can be placed on a body of municipal councilors, acting within an inferior and limited sphere of action, and not exposed to the wide range of discussion to which the highest legislative body in the province can submit its own committee—the executive council. The conscience of a man in office must bear some proportion to his duties and responsibilities. A man in a small area of action and criticism can never as clearly be brought to see the consequence of his political conduct as one in the wide theatre of national action. *Noblesse oblige* is more heard of at Washington than even in Boston municipal politics. It says much for the efficiency and integrity of the public service of Ontario—and I refer here particularly to the class of officials in question—of the service appointed under such conditions as I have mentioned, that it has not been shown guilty for the past twenty-seven years of such incompetency and malversation of funds as have even occurred in connection with the funds of a few county councils. What cases of mismanagement, speculation and jobbery have come to light of late have been in the administration of the

affairs of the largest Canadian cities. At the present time the city of Montreal appears to require a Parkhurst, and Toronto has asked the county judge to investigate charges that have been made—and the inquiry has proved, with too much truth—against certain aldermen of selling their vote and influence to contractors. It is well to bear in mind that in these cases it is the elected men, the aldermen, whose conduct is arraigned. It is the elective principle that is now in question, when applied to men whose duties are those of managers of a corporation. Indeed, there are many influential and thinking men in Canadian cities—in Toronto especially—who express the opinion that a small permanent commission appointed by the government would best manage civic affairs. Still, in the face of such facts, it is proposed to extend the principle even further, and disturb a system of appointments which has exhibited no such discreditable results as we have seen in cities and even counties.

As things are now, municipal elections are kept fairly free—in the great majority of counties, largely free—of all political influences; but it is quite certain that if these councils are to be made the aréna of political intrigue for the filling of provincial offices, it will not be long before they will become notorious for political bitterness and worse,\* and the party spirit which runs sufficiently high in Canada under ordinary conditions will be intensified to a degree, and bring about results of which every citizen across the frontier can give Canadians some very practical examples.

## VII.

But Canadians need not go far to come to a conclusion as to the effects of an elective system when applied to any class of public officials. Their neighbors in the States of the Federal Republic have been, for many years in their history,

\* Read what Mr. Fiske says ("Civil Government in the United States," p. 135) with respect to the evils that have arisen from "the encroachments of national politics upon municipal politics."



giving the world very significant examples of the results of such a system. Their experience is submitted to the serious reflection of those who would change the law which makes the government responsible for all public appointments, and give in its place a system which places the responsibility nowhere. Can any one argue that the body of the voting public who elect can be made responsible for the result? The legislature in the first place, and the people at a final stage, can censure a government, or turn it out of office, since ministers are directly responsible for every act of administration. But *Quis custodiet custodes?* Who will check the people?

Among the sources of the strength of the Canadian system of government are these: the infrequency of political elections; the holding of elections for the Dominion parliament and for the legislative assemblies of the provinces at different dates; the separation of federal issues, as a rule, from provincial questions—though the attempt is too often made to mix them; the practical separation of municipal from provincial or other political questions; the permanency or non-political tenure of the civil service. On the other hand, the weaknesses of the American system—in fact, the evils that are sapping the republican and purely democratic institutions of the States—mainly arise from these causes: the intimate connection between national, State and municipal politics; the frequency of elections which bring into play all the schemes and machinations of the party managers and “bosses;” the popular election and short tenure of so many public officials who, as a consequence, become more or less partisans, and supply even now, in defiance of the law in many States, a considerable proportion of the corruption funds of political parties.

The conclusions, then, to which an impartial and honest observer of contemporary political management in the United States must inevitably come are these, briefly summed up:

That the party machine, as managed by the boss, is destructive of public morality.

That it is the elective and the "spoils" system by which a horde of public officials obtain office that gives vitality to the machine and its creatures, and is weakening the foundations of republican or democratic institutions.

That rings and bosses will exist and thrive as long as the great majority of public officers, including judges, are elected or appointed on political lines.

That the security of the commonwealth depends on the establishment of a permanent public service in every State, in the appointment of the judiciary by a regularly constituted authority like the governor or the legislature; on the removal of municipal contests from Federal or State elections; on limiting in every way the number of civic or court officers elected by the people and placing them in the hands of mayors or councils; on giving a life tenure—that is to say, during good behavior—to all important executive, judicial and administrative officers; on the effective operation of the Australian ballot in every election, civic, State or national, and on the general adoption and execution of most stringent laws against bribery and corruption in every possible form.

That by such measures the machine will soon break down, since the party boss will not have the same facilities for exercising his peculiar arts that he has at present, while he can practically control the election or patronage of so many public offices.

## VIII.

No one who studies the condition of affairs in the United States, or who has had opportunities, like the writer, of conversing with men of intelligence and education whose minds are not warped by party prejudice, and who believe that frankness is better than silence when their country's honor or stability is at stake—no one under such circumstances but must come to the conclusion that there are

already a number of people in the republic—a small fraction, it is true, of the nearly seventy millions of people, but still a “saving remnant” perhaps—who are striving for a radical change in their elective system. We have evidence of this wise and growing sentiment in the strenuous and, in part, successful efforts made of recent years to build up a permanent civil service for the nation, in such constitutional changes as have been passed in the State of New York for the separation of municipal from State elections,\* in the strengthening of the executive authority of the mayors in numerous cities and giving them control of important civic appointments, in the lengthening of the term of office of the State judiciary and other officials in several States, and lastly, though not least, in the adoption of the ballot system of Australia.

The proposition that has been sometimes urged that the Presidential term should be at least six years is also an evidence of the current that is setting in against too frequent elections, which keep the public mind in constant state of agitation, unsettle business, and give ready occupation to the professional politician. Perhaps in no respect has there been a more earnest effort to limit the elective principle than in the case of the judiciary. Everyone will admit that the strongest judiciary, for learning and character, is the Federal bench, which is removed from all popular influences, since it is nominated and appointed by the President with the consent of the Senate, has practically a life tenure, and cannot have its compensation diminished during the term of office of a judge. It is needless to cite instances of the weakness

\* It is an interesting fact which may here be mentioned, that Canada has had, by law and practice, for years, the reforms that the New York convention recommended and the people of the State recently ratified: a separation of municipal from State elections; naturalization laws; civil service statutes; prohibition of riders in appropriation bills; printing of all bills before passage; prohibitions against pool-selling, book-making and lotteries. The Australian ballot and stringent anti-bribery and corruption laws have been in operation for years. Contract labor in prisons is permitted, not disallowed, as in the New York constitution—confessedly its weak point, showing the influence of the labor element on the politicians of the convention. All these Canadian reforms have been among the results of a strong executive, represented in and responsible to parliament.



of the State judiciary which owes its position to party—we have had recent illustration of such weakness in the case of a judge at Albany—but happily for the interests of justice the consequences have never become so serious as one would, with some reason, suppose they would be ; and that chiefly on account of men, once on the bench, wishing to earn the good opinion of the better elements of the bar—notably high in every State—and feeling that respect for law and its attributes which animates all men brought up under the influence of English legal institutions once they are placed on the judgment seat. Nearly forty years ago John Stuart Mill,\* writing on this very subject, apprehended “ that the practice of submitting judicial officers to periodical popular re-election will be found to be one of the most dangerous errors ever yet committed by democracy, and were it not that the practical good sense, which never totally deserts the people of the United States, is said to be producing a reaction likely in no long time to lead to the retraction of the error, it might with reason be regarded as the first great downward step in the degeneration of modern democratic government.” Writing a quarter of a century later Dr. Bryce tells us that “in many American States the State judges are men of moderate ability and scanty learning, and sometimes vastly inferior to the best of the advocates who practice before them.” He admits that pecuniary corruption seems to be very rare among them, but “there are other ways in which sinister influences can play on a judge’s mind, and impair that confidence in his impartiality which is almost as necessary as impartiality itself.” And, he adds, with obvious force, “apart from all questions of dishonesty or unfairness it is an evil that the bench should not be, intellectually and socially at least, on a level with the bar.” But while the mischief that has arisen from the application of the elective principle to the State judiciary is undoubtedly “serious” in a measure, justice is

\* See “Considerations on Representative Government,” Chap. XIV. Also remarks of Mr. Fiske, “Civil Government,” pp. 179, 180.

fairly administered on the whole, not only for the reasons I have briefly stated above, but because in so many States an upright and good judge has reason to expect a long tenure of office. The hope entertained by Mr. Mill has not yet been fully realized, but nevertheless the tendency of a sound public opinion is shown by the fact that salaries have been generally raised, and the terms of office lengthened.\* Good judges are continued from term to term, so that a better class of men are encouraged to accept this high responsible position. It is significant that of at least thirty States that have revised their constitution in essential respects within fifteen years or so, only one has taken the appointment from the legislature or governor and entrusted it to the popular vote. Perhaps the time is not far off when the judiciary will have a life tenure of office, even though election by popular vote remains in force in the majority of States, as at present.

## IX.

I have dwelt at some length on the experiences of the United States in working out the elective principle in their system of government and especially in connection with those classes of public officials who should be non-political in their tenure, so that my Canadian readers may thoroughly appreciate the consequences of the arguments of those who have forced the government of the premier province of Ontario—a province governed on the whole with discretion and ability, and where officials are, generally speaking, able and conscientious in the discharge of their duties—to gather the opinions of the intelligence of the country, whether they should not inaugurate a system which has been confessedly productive of so many injurious results on the other side of the border. I believe that one or two thoughtless and ill-

\* Massachusetts, Rhode Island, New Hampshire and Delaware alone retain a system of life tenure or of good behavior. In the other States the longest term is in Pennsylvania, 21 years; the shortest in Vermont, 2; in one State it is 15; in another, 14; in four, 12; in one, 10; in three, 9; in seven, 8; in ten, 6; in the remaining States, from 4 to 7.

informed persons have ventured to go so far as to urge the election of the minor judiciary like police magistrates and county judges; but such persons do not in any way represent the intelligence or wisdom which governs the great body of the people in a province, which, above all other sections, prides itself in its complete and well-administered system of local government, and in its free education, which gives every boy and girl in the land admirable opportunities from the common school to the collegiate institute or high school or the provincial university with its large professorial staff. Canada has one of the best devised systems of government in the world. Its strength consists in the fact that it is based on the experiences of the two great countries to which Canadians naturally look for instruction or warning—England and the United States. Its institutions have kept pace with the development of the sound principles of parliamentary and federal government, and possess all that elasticity and capacity to meet critical situations as they arise, which is wanting in the too rigid system of the United States whose constitution is mainly based on principles which existed in the middle of last century, and are now not quite equal to the conditions of modern political progress. Neither at Washington nor in any State of the Union is there a ministry owing responsibility to the people's representatives, and the consequence is a constant friction between the executive and legislative authorities, and an absence of all such control of legislation and administration, as exists under a system of parliamentary government. On the other hand, there is at Ottawa and in every province of the Canadian federation, a cabinet which represents the majority of the people as represented in the legislature, which is constitutionally bound to explain and defend every executive and administrative act, from the appointment of a lieutenant-governor or a judge to a sheriff, registrar or county attorney. Its tenure of office depends on the confidence of the legislature and if its members forfeit that, then they may appeal



to the people in accordance with the practice and rule of responsible government. Such a deadlock as may occur at any time between President and Congress within the next two years is impossible under the Canadian system. The executive in Canada is always represented and consequently able to exercise a potent influence in the halls of the legislature by the means of ministers responsible to the popular house. An appeal to the people as a consequence of a deadlock or crisis, will immediately settle all difficulties and bring in either the same ministry or a new cabinet with adequate support to carry their measures in parliament, and administer public affairs. The remedy under such circumstances is speedy and decisive—not delayed, as in the United States, by the checks and guards that prevent popular opinion acting immediately on the executive and administration. In Canada the judiciary is independent equally of the crown and of popular influences, since a judge can only be removed during his life tenure of office by successful impeachment in parliament. The public service enjoys all the advantages that arise from permanency of tenure and independence of a popular vote. The people know on whom to fix responsibility for every bad appointment. Under the system of the United States an incapable and even unworthy man may be appointed to an office, and continue in it in the majority of cases as long as he can retain the confidence and support of the party manager of his district. An incompetent man may be elected time and again, and the nation know and care nothing about it, but in Canada the humblest appointment may be subject to the rigid scrutiny of the parliament of Canada or of the legislature of a province, according as it is of Dominion or provincial character. All the debates of the parliament and the legislatures of Canada are reported in the press to an extent that is not customary in the case of Congress or of the State legislatures, and what is said reaches every corner of the Dominion. Canadians can fix the blame on some one, but who is to punish the

party manager or the people misled by him? A system of government like that of Canada which places the responsibility on a body of legally constituted advisers of the crown, or in other words a committee of the legislature, has clearly enormous advantages in the case of appointments to public office over a system like that of the United States which spreads responsibility over so wide a surface that no one may be reached.

The writer believes, after giving much consideration to this important subject, that it would be indeed an unhappy hour for the good and efficient government of Canada, were the intelligence of any section to be so blinded as to lead it away from the sound doctrines that have hitherto preserved us from the evils which have weakened the political structure of the Federal Republic. If in a moment of indiscretion any Canadian legislature were to yield to the ill-advised demands of party in order to obtain a temporary political advantage, and attempt the experiment of the elective system in the case of the officials whose tenure of office is now a matter of deliberate inquiry, it would be literally the thin edge of a wedge which would gradually and surely split up the durable foundation on which government rests. The history of the American States very clearly shows that when you once give certain privileges and rights to a people it is not possible to withdraw them directly and immediately. No politician would dare now to ask for such constitutional changes as would suddenly sweep away the entire elective principle in the case of all national and State administrative, executive and judicial officers, except the president, vice-president, governors, lieutenant-governors, and political heads of departments who occupy positions somewhat analogous to those of ministers of the crown but without their responsibilities.\* All that may be attempted

\* "The great number of candidates for election confuses and disgusts the voters in much the same degree that it makes the business of caucus management intricate, active and profitable. The election of such officers as constables, county clerks, secretaries, justices and judges, whose functions are in no sense

is to curtail and modify those privileges from time to time, as has already been done in the case of municipal elective officers and of the judiciary. If once in Canada the elective principle were applied to sheriffs, registrars and a few other officials in the province, it would not be long before a politician would make himself popular by extending the system to police magistrates, and all classes of officials. In all probability, the pressure would be so great even on the Dominion parliament that it would have great difficulty in stemming the torrent that provincial indiscretion might set flowing by the removal of those wise barriers which sound policy has heretofore raised up against popular and party license. A federal union rests on a broad basis of states or provinces and the political conditions of every state or province must more or less, sooner or later, influence those of the federation or dominion to which those states and provinces give life and union. Once adopt the elective principle generally in the provinces, it is obvious the consequences would be most serious to the Dominion. The result would be that Canada would be no longer English as respects a fundamental principle of government. She would become Americanized by the adoption, not of those features of the system of her neighbors which might give her additional strength and unity, but rather of those methods which would be more or less destructive of political morality and in direct antagonism to those principles of sound and efficient government which true Canadians are ambitious to see gather force while they are laboring to establish on durable foundations a new nationality on this continent.

*House of Commons, Ottawa, Canada.*

J. G. BOURINOT.

representative, and who were appointed until the spoils system had become established, is indefensible upon any sound principles. The changes that made them elective were naturally desired by all those interested in the patronage of party chieftains or gains of primary elections. To make the re-appointment of such officers safe and satisfactory, we must reform the civil service. To relieve the primary system of the demoralizing duty of selecting officers in no sense representative, and only ministerial and administrative, we must make such officers again appointive." D. B. Eaton in "Cyclopædia of Political Science," Art. "Primary Elections."



## THE PACIFIC RAILWAY DEBTS.

The thirty years' term of the original loan of the United States to the Pacific Railroad has rolled round, there matured January 16, 1895, the first installment of bonds issued to the Central Pacific Railroad Company for the first piece of road built and accepted under the act; during the years 1896, '97, '98 and '99, chiefly in 1898, other installments fall due, aggregating in all \$64,623,512.\* These six per cent bonds are a full obligation of the United States, as between the holders and the maker; there is nothing for the Treasury to do, but to pay them, or to extend them on acceptable terms. Since they are security for circulating bank notes the latter course can easily be followed, at not more than three nor less than two per cent, at the convenience of the Treasury, and these need give us no further concern here.

But as between the maker of these subsidy bonds and the companies who first received them they constitute a debt nominally due and payable by the latter, or their successors, together with arrearages of interest also advanced, and only in part reimbursed by transportation services, or provided by sinking fund accumulations. The amount of this arrearage may now be closely approximated, and it is evident that, dealing with all the debtor companies together, it will fall not far short of the principal sums, or about \$125,000,000 in all, of which fully \$70,000,000 will be for the Central Pacific and \$55,000,000 for the Union. The exact figures at any given date cannot be stated with precision on account of the mass of counter-credits for services delayed, disputed or otherwise in suspense. Indeed, certain judgments for large aggregate amounts, not subject to application on these debts,

\* The repayments by services in the twenty-five years of through operation equal one-fourth only of the interest disbursements or about one and a half per cent per annum on the debt.

CONDENSED STATEMENT, showing bonds issued in aid of Pacific Railroad Companies and the amounts reimbursed thereon as certified by the United States Treasurer at close of business, November 30, 1894.

UNION PACIFIC (Inc. Kansas and Central Branch).		CENTRAL PACIFIC (Inc. Western).	
Principal, . . . . .	\$35,139,512		\$27,855,680
Interest paid by United States, . . . . .	55,829,069		43,505,552
Total disbursed, . . . . .	\$90,968,581		\$71,361,232
Reimbursements:			
By transportation services, . . . . .	\$24,525,032	\$7,208,406	
By cash per cent of net earnings, . . . . .	445,335	658,283	
			7,866,689
Apparent balance of debt, . . . . .	\$65,998,214		\$63,494,543
Deduct Sinking Fund in United States Treasury, . . . . .	14,311,157		5,707,205
Apparent debt unprovided for, . . . . .	\$51,687,057		\$57,787,338

The Sioux City and Pacific, 100 miles (leased by the Chicago and Northwestern), \$1,600,000 bonds may be ignored. The Central Branch Company is controlled by stock ownership, but road has been leased to the Missouri Pacific Company. Forecasting the further interest payments, with deductions for services and sinking funds to maturity, the balance may be estimated at \$55,000,000 for the Union, and \$70,000,000 for the Central. The latter will, however, have sinking funds for prior lien bonds to an amount approximating \$15,000,000.

are nevertheless withheld as offsets to this accruing claim of the government.

By the Act of 1862 construed literally these advances were secured by a "first mortgage" (subsequently in 1864 waived) upon the condition that "said company shall pay said bonds at maturity" and that on a failure or refusal to redeem said bonds or any part of them, when required to do so, the United States might take possession of the aided property for its own use and benefit. There are other complicated provisions for partial current payments for service and in one-twentieth of the "net earnings." It is evident that these cautionary clauses were properly introduced to secure something beyond and more important than the return of the face value of the bonds and interest at a given date, viz., the early completion of the road through, or, that failing, the control of the corpus, and if need be, its transfer to other hands. Although following the formula of indentures to secure the return of money, the acts and successive amendments, their titles and the whole scope and purpose was rather to ensure the doing of certain work without delay, the creation of the road, its use, enjoyment and prestige rather than the customary loan of money for hire. A generation has passed since the contract was made, but it must be construed with the lights then before the parties.

This view is borne out by reference to the emergency of the time and the antecedents in military and postal transportation. The supply of Rocky Mountain forts, and a scanty overland mail had cost as much as \$7,200,000 a year, while animal power was employed and while the government was insurer of the freight. It is fair to assume that the expectation of the parties was that the government patronage would itself so expand after completion of the roads, as to cancel the current interest, \$3,900,000 per annum, and that the subsequent participation in the net earnings, in the course of the eighteen or twenty years allotted, would be so considerable as to liquidate the principal sums, or nearly so. That both



sources failed to do so much is in good part the voluntary doing of the government and the misfortune of the companies. It is difficult to reconcile these facts with the theory of a right of foreclosure long after completion, merely to collect a residue of subordinate debt.

The legal status of this debt is that of a book account, the security for which is, or rather was, a statutory lien on the aided portions of the road and the corresponding equipment. Even if recourse to foreclosure could fairly be claimed, or were sustained by the higher courts, it can readily be shown to be a barren remedy. As a punishment aimed at transgressors it would miss the mark and injure only innocent third parties who are already sufficiently victims. Except for the decorum and its terror to underlying claims, the second mortgage theory might as well be abandoned and all thought of proceeding on that line. Of the three courses open to Congress, but one has any serious claim to attention. These three courses are:

I. Relinquishment of the debt, except as repaid by current services.

II. Attempted foreclosure and possession, followed by transfer to new owners or lessees, or by operation for government account.

III. Extension of the debt at such rate of interest as the earnings will justify after providing for necessary prior fixed charges.

*First.*—Pleas have been made before Congressional committees, not without ingenuity, to have these debts waived and expunged, or rather commuted into a perpetual obligation to carry mails, troops and supplies. Had this enterprise failed to pay its way, as was expected, or had its promoters paid every demand except only profits to the shareholders, there are many plausible and equitable reasons why a magnanimous course would be opportune. Nobody, however, has had the hardihood to formulate such a Bill or Report. On the other hand, there are more grave reasons

why the claim should be treated as a valid debt, to be repaid to the last dollar. It will never do to set up the Treasury as a target to be aimed at on the principle of condoning failures. The Nicaragua Canal Company in some shape will be the next applicant for Treasury assistance, and no worse precedent (for its success) could be devised than to condone the debt to the Pacific Railroad Companies. It would be preferable to let it stand though it were indeed a hopelessly "bad debt."

*Second.*—Nor is the expediency of resort to foreclosure any more hopeful. As already stated, the right of the government to take possession under this statutory mortgage is not clear. Beyond doubt its right to do so was in full force until the completion of the roads was a fact or in plain sight. With the junction of the rails in May, 1869, that right lapsed forever, except in the improbable contingency of an abandonment or neglect (and then only to supply the omission), an event not likely to arrive unless by the complicity of the government. Of course, it is within the sovereign power to take forcible possession of this railroad; subject, however, to the obligation to compensation for private property taken; but that is a general power not derivable under its statutory claim. The astute Senators who framed and supported the Thurman Act of 1878, willing as they were to tie the hands of the companies, reached the conclusion that their power over them was not absolute, but only forbade dividends to the stock until after twenty-five per cent of the net earnings had been applied to the subsidy debt. The Supreme Court, by a bare majority, adjudged that Congress had the power over the income of the companies—not by reason of this statutory pledge, nor yet by virtue of the reservation, in words, of the right "to alter, amend or repeal," but by the absence of power in one legislature to bind its successors; which right, be it observed, is limited where contract or vested rights have intervened to what is just and reasonable as between the parties. This

latter is a function for the courts, and not for Congress, to declare.\*

The practical situation is rather complicated than cleared by the assertion of this right of foreclosure. To begin with, the prior liens, equal in amount to the face of the subsidy, must be assumed, and either paid off or extended. Suppose they were to make common cause with the stockholders and claim the road itself, or demand their money, they could, with the same cash, turn round and parallel every essential portion of aided road, and ally themselves with branches and terminal lines on which the United States has no lien. No one knows this advantage better than the directors of these companies. Quite recently a new Pacific line (the Great Northern, the fifth on United States territory) has been completed to Puget Sound at a cost of one-third that of the original Union-Central line. Furthermore, who are to be the bidders at a sale, outside of the first mortgage holders and the government? Much as the managers of railways quarrel among themselves for a division of freight money, there is too much *esprit du corps* among them for any responsible company to appear as a competitive bidder. It would, moreover, be in danger of speedy and condign punishment from the owners of these indispensable branches, feeders, terminal facilities and tributary ocean steam lines. No one can afford to own the piece of railroad laid across these dry deserts and high mountains and which does not also have its own entrance to either Council Bluffs, Kansas City, Denver or San Francisco. The nation is bound by honor and contract to respect the claim of outsiders to the extent of \$25,000 per mile for the eastern portion of the main line, and about \$35,000 per mile for the western portion.

Foreclosure is not only no legal solution; it is no practical solution. It is the forerunner of mischief only. In his volume, giving a compact history of the work and the tribulations, entitled the "Union Pacific Railway," Mr. John P.

\* See U. S. Reports on Interest case and Thurman Act.



Davis, though accepting the right of foreclosure without question, in a concluding chapter as to its future sums up the equities of the case very fairly and ably, and abundantly disposes of the expediency of it by showing the multiplied difficulties, perplexities and expense of an attempt to operate the 2494 miles of road on which its claims rest. As matters now stand, it requires, to manage this claim, a set of government directors, a committee of each House of Congress, a special bureau with accountants and engineer in the department, and at intervals a special commission to make an independent report. If the government owned the roads, its duties would be still more numerous and embarrassing.

One may have much sympathy with the people of California—a hundred thousand of whom petition to have the decision take this course. The evils they so eloquently portray, however, are those which other parts of the country share with them, to a greater or less extent. They see other communities enjoying the benefits of a sharp competition in rail-carriage, in through freights carried at bare train expenses, while the burden of fixed charges and administration is left to be sustained by local traffic; that is to say, a portion of the traffic of railroads (like the business of the Post-office, which tolerates no competitor) is done at less than the service costs; it is deemed better to have it, and keep the larger force of men and rolling stock employed, than to lose it. The people of California would like the government to provide them with this cheap carriage for their interior freights on the same basis as the overland business, which they now enjoy to the full, since private capital is unwilling to do so. The fares and freights in California itself are not high nor unreasonable, tried by any standard. This is the same grievance, cropping up in a hundred other places, which the Interstate Commerce Commission was organized to grapple with, but which it can do but little to alleviate.

The suggestion emanating from the same State that the

Attorney-General should bring suit against the original directors of the railway companies, to recover large sums wrongfully obtained, is not a fortunate one. As a means of reimbursing these maturing claims, it is inadequate. This course was, in fact, tried years ago, as a sequel of the Credit Mobilier scandal, before the Circuit Court at Hartford, when the court ruled that it was for the Union Pacific stockholders, not the government, to move, as they were the parties wronged, if any. In like manner it is the stockholders of the Central Pacific (now for the most part in Europe) who are at liberty to bring suit, if anybody, for restitution of plunder, under this exceptional California statute made to curb the dishonesty of mining company officials, but easily evaded as to all. Will the stockholders do so? No; for the reason that it would be throwing away good money after bad; and, besides, they have to fear the possible hostility of the same men, or their successors, intrenched in power, and able to injure even if dislodged. It is easy for the essayist, the lawyer or the legislator, unfamiliar with the mysteries of Wall street and railroad finance and management, to make charges, frame bills and indictments, but not so the practical work of negotiation and redress.

An illustration (one of many drawn from the checkered history of the Union Pacific Company) may serve to show how difficult is the situation in this subdued railroad warfare, and how embarrassing at times is the choice of courses, with the best disposition to follow the ethically right. While the Union Pacific road was under construction, and J. Gould and J. Fisk were in full control of the Erie, the latter made an attempt to "break into" the Union Pacific Company, the associate supposed to be in the background. Some years later, after they had been ousted from the Erie, Gould had acquired the Missouri Pacific, of which the Kansas Pacific (subsidized) was the natural prolongation toward Denver and the Pacific. By the Act of Congress the Union Company was required to operate the main line with the

other eastern branches "as one continuous line." It claimed that to charge the local rate from the Cheyenne Junction, midway of its length (which rate was, in many cases, higher than the rate throughout the entire Union Pacific line) was a sufficient compliance with the act. Suits were carried from court to court, but in the meantime the Kansas road was being starved, its development cramped. Its stock went down to near zero and the first mortgages to 50. This was Gould's opportunity, which, with characteristic nimbleness and secrecy, he improved. He acquired enough stock of the Union to become a director and all of the Kansas that he could buy, in open market or privately. He was thus on both sides of the trade and informed of the counsels and plans of both parties. When it became imminent that the Supreme Court would have to decide in favor of the Kansas Company, he suggested a consolidation of the two. The other directors demurred—for obvious reasons—whereupon he replied in effect: "Very well, gentlemen; as you like; but if you refuse the Missouri and Kansas Companies will build from Denver to Salt Lake and the Central terminus at Ogden, and then where will you be?" This alternative would have been a proper and feasible thing to do. His views prevailed and the result was an exchange of share for share of stock, the assumption of the bonded and floating debt of the impoverished partner company, payment of deferred interest; in all a profit to the shrewd speculator and his friends of not less than ten millions, and perhaps nearer twenty.

There would indeed be poetic justice, and also justice of the law and constitution, if some of these extorted gains could somehow be recovered for the unfortunate small stockholders, who are the parties really defrauded. The government, as we shall presently see, may recover its entire claim without allowance for equitable set-off, but how and whence are the confiding shareholders to get back their money when a whole century's earnings are to be pledged to others in



advance of them? True, the Attorney-General has moved against the Stanford estate, ostensibly on behalf of this maturing claim of the government, but it is likely that this was intended and understood by counsel more to "stay waste" of the assets than in the hope of securing any part to the Treasury, and in this way the prosecution is a real service to the Stanford University, rather than an injury, as is sometimes alleged. Had all the great fortunes made out of this government subsidy experiment been disposed of for objects as worthy, and placed in as enlightened and competent hands as this one, Congress and the public might indeed overlook or condone the irregularity of their acquisition.

There is but one honorable way in which approximate justice may be done to all parties concerned in this Pacific Railroad venture, but, alas! it is not free from difficulties. If, notwithstanding the objections to government ownership, it is decided to take these defaulting companies' property, the only fair way is to authorize the Secretary of the Interior to purchase the stock of both, to be delivered within ninety days, at say \$50 per share, at which rate it would secure nearly all the \$68,000,000 of Central, and \$60,000,000 of Union, at a cost under \$64,000,000. This would double its original investment, but by careful nursing it might prove a judicious purchase, since it would carry control of four or five times the original aided mileage. This policy need not be urged on behalf of the shareholders, but on the ground of fairness. It is one of the curses of corporate management that out of it the managing directors can enrich themselves, while their confiding fellow-shareholders are impoverished. In this respect the Pacific Company officials have been conspicuous offenders. If the legislative favor is to be invoked on behalf of anybody besides the local patrons of the road, it may with equal reason be asked on behalf of defrauded and comparatively helpless investors in the stock, many of them women and orphans dependent upon the expected income, and none the less deserving because living abroad; they

trusted to the honor and dignity of an American enterprise in which the government itself was chief creditor.

*Third.*—The government would seem to be shut up to the third remedy. Compulsory or pursuing legislation is at best futile; the sovereign authority cannot be resorted to except as an extraordinary or war power; assignment of the stockholders' rights is hardly practicable, because it is but a first step in an untried policy looking far beyond the recovery of the debts. There remains the alternative of mutual accommodation. Valuable as are these lines of railway with their affiliated connections, in the hands of their owners; the co-operation of stockholders is necessary to meet these onerous claims. The margin between solvency and insolvency is too narrow to tolerate clashing or forcible measures. The nation being a large customer of the roads is enabled to get some current return upon its outlay, the equivalent of a low rate of interest. By simply withholding the compensation for transport, it gets, taking a series of years together, a rate of one and a half per cent on the new debt (or three per cent on the old); or taking the corporations separately about two per cent from the eastern and one per cent from the western, the disparity being caused by the double volume of public service accruing to the Union Company. An insurrection, or foreign war, might carry the yield much higher. In view of the equitable considerations above named, and the fact that whatever the amounts demanded, and time granted, the payments must be a tax upon the local traffic, is not this enough and a fair basis for commutation of interest?

How about the repayment of the principal? Some inducement should be provided for its early liquidation. The maturity of a fraction of the subsidy bonds does not alter the moral, nor seriously the legal, status of the parties. It is the duty of the nation to help the credit of its debtor where its own claims are not prejudiced thereby. It can grant an extension of time, a long time, without sacrifice, and as it can do nothing practicable but that, that should be done

willingly and helpfully. This extension need not be as great as some of the bills before Congress provide, viz., a fixed period of fifty or a hundred years, all of which is to be consumed in the process; but ought to be a maximum period of a hundred years with an inducement to shorten the time.

Mr. Charles Francis Adams, while president of the Union Pacific Railway Company, not long ago, stated to a committee of Congress that he expected to repay the government advances at maturity. He probably did not refer to the arrears of interest, but to the principal only. In less than two years his company was pledging all its treasury assets (a hundred millions face value), as security for a loan of twenty millions to meet floating debt, and soon afterward passed into the hands of receivers as a bad insolvent. In finance the optimist, however delightful as a man, is a great danger to himself and especially to his friends—witness the examples of M. de Lesseps, the Barings abroad, and Messrs. Jay Cooke, Henry Villard and others at home. The mistake arose in overestimating these treasury assets, stocks and bonds on tributary lines.

The conduct of the negotiation has passed from the president of the company to a tripartite combination of the government directors and a reorganization committee of bondholders or the stockholding directors on the one side, with the two committees of Congress and the Executive on the side of the government. No final settlement is likely to be reached before the new Congress convenes, both because of want of time to thrash out so complicated a question, and because a majority of each House lacks confidence in the recommendations of its committee. It will take such a body a long time to discover for itself the controlling elements of this settlement, since it will not give credence to its own organs, nor to the advocates of the railroad companies. These elements are:

(a) The efficient maintenance of the road as a military and commercial route.



(b) The government demands must be drawn from local traffic, the competitive through traffic yielding little beyond train expenses.

(c) Some prospect of moderate dividends, in the near future, should be held out to stockholders; otherwise the management will be poor and the stock a foot-ball of Wall street.

(d) The government claim may properly be waived in favor of the depressed industries along these interior lines, and in favor of certain desirable permanent improvements for the general public benefit.

(e) The earning power of the properties cannot be expected to improve much in the next thirty years.

It requires no demonstration to prove that large systems of railroads cannot permanently be operated by receiverships under the order of courts, nor that the proper custodians of such property are the owners. A railroad at best is a very complicated organization, and the situation of these aided roads is full of special detail and complications. To ensure efficient repairs and renewals, to secure money, materials and service at the best rates, there must be something like permanence and self-interest in the management. The government, not less than the minor patrons, is interested in the safe and certain transmission of mails, troops and supplies far beyond its interest in the early liquidation of this debt. The Oregon branch of the Central Pacific is now more necessary as a military line than is any other, except the Southern Pacific along the Mexican frontier, and neither of these roads is likely to be paralleled for a century. Both portions of the aided lines have become integrate parts of vast complex systems nearly 10,000 miles in extent, with their own steamship lines, hotels, coal mines, etc. Disentanglement has become well-nigh impossible. Joint ownership is less difficult.

The Union Pacific has for years been estopped from paying dividends. This has not benefited the United States a

particle; it was a restraint applied by Congress years too late. The result might have been foreseen; high rentals, including guaranteed dividends of branch and tributary lines, wholesale construction of new lines with guarantees of interest, or "constructive mileage" allowances. The profits have gone to insiders, while the entrapped investors have remained shorn just the same. The Oregon Short Line, the Northern Utah and Montana, the Denver and Gulf are specimens of the absurd competition with neighbor companies for territorial control. The receivership will enable the insolvent to relieve himself of the excessive load of some of these burdensome leases, guarantees and preferences; but others of them will have to be retained as a charge upon the main line for many years.

The Reorganization Committee of the crippled Union Pacific bondholders, in which the government is amply represented, is reported to favor the very customary device in such cases of a "blanket mortgage," covering main line branches, and Treasury assets, of an amount large enough to cover all outstanding bonded debt, estimated at \$140,000,000, of which it is proposed to allot nearly one-half to the United States in lieu of its existing claim. The rate of interest on the latter is to be about two and a half per cent, and on the other portions of the issue four and five, according to the priority and merit of their present holdings. If the stockholders deliberately choose thus to advance the lien of the government to that of co-equality with the other bondholders and to postpone their hopes of returns for a century, it is an act of uncalled-for self-sacrifice. No one will complain, unless the first mortgage holders refuse to accept the security thus diluted. To carry out such a plan the government must step in as guarantor that the entire loan shall be taken. Who else is to advance the money to non-assenting bondholders? As a dilatory device it may answer, but not as a settlement. It does not require the prophetic gift to foresee that this is practically an irredeemable issue. With the first

unfavorable year's business there would be a default, and the settlement would all have to be gone over again, with the government in a different situation—that of half owner. Besides, it fixes the payment at the full term of fifty or more years, there being no provision for the reimbursement for the Treasury bonds earlier than those in private hands. Again the government has no right to have its security improved, except for valuable consideration. The mere extension of time for payment is not an equivalent; it is not a forbearance—it is a necessity—of the creditor. Far better would it be to make some allowance of interest on principal in consideration of the earliest practicable payment consistent with the stability of the roadway and structures and the liberation of the local customers.

The Central Pacific Company seems to have escaped the vigilance of Congress, as it was not included in the estoppel of dividends. Like the Union it paid as high as six per cent dividends for a few years (this was the period during which the stock was unloaded on the public), then suspended altogether, after which it resumed at the rate of two per cent, until the financial stringency of 1893. Inasmuch as a third part of its mileage is non-aided, and this the most profitable in operation, there was no injustice in this, as moderate contributions were simultaneously made to first mortgage sinking funds, and the Thurman Act complied with. For the future, however, it would be well to provide that neither of these three corporations should be allowed to divide as profits more than two per cent per annum, either on their own shares or of any controlled or leased line, on the existing basis of stock to mileage, and not in any case unless actually earned, until at least one semi-annual installment of the government claim had been anticipated, or unless some equivalent concession had been made to the non-competitive local shippers and passengers.

None of the bills heretofore reported to Congress contains any provision for waiving the claim of the government on



behalf of the settlers and industries tied up to this aided line and unable to use any other. This is a thing worth guarding. In like manner, the public claim may be waived, or rather its acceleration may be waived, in favor of two important improvements at the California end of the road, which obviously must remain in abeyance until this settlement is effected or provided for. One of them is a ten-mile tunnel under the crest of the Sierra Nevada range, thus obviating some 2500 feet of elevation, and avoiding nearly all the snow-galleries and sheds, with their risks, inconvenience and expense. The other is a bridge across the Straits of Carquinez, to replace the ferry transfer. The cost of these may be roughly estimated at \$10,000,000 and \$2,500,000 respectively. There should be no increase of stock for either.

With the supporting co-operation of Congress the outstanding first mortgage bonds of main line and essential branches may be refunded into new consolidated bonds, bearing four per cent interest, secured by prior liens on the whole property. This authority ought to be cheerfully granted, for without it the companies may not be able to refund at less than five. Here is a saving, not at the expense of the government, nor the patrons, nor the stockholders; it is a sort of relinquishment of interest on the part of capitalists for increased security and immunity, which all concerned should willingly accept. To whose benefit should this saving of two per cent on say \$120,000,000 of underlying mortgages inure; to the companies, or to the government? Unhesitatingly, to neither exclusively, but to both in common. Here then is a source whence \$2,400,000 may be drawn yearly, and half that much at least can be spared at once for appliance on the capital of the subsidy debt.

CONDENSED TABLE, *showing the capital, bonded debts, sinking funds, of the Union and Central Pacific Railroad Companies approximately as of recent dates.*

UNION PACIFIC RAILWAY COMPANY.

(Including Kansas Pacific, but excluding Central Branch.)

	OUTSTANDING.
CAPITAL STOCK, main line, 1827 miles . . . . .	<u>\$60,691,050</u>
BONDED DEBT:	
First mortgage, main line (no sinking fund) . . . . .	\$27,229,000
First mortgage, Kansas Pacific and Denver and Pacific . . . . .	<u>12,209,000</u>
Total having undisputed priority over United States lien . . . . .	\$39,438,000
Kansas Pacific, on aided 395, and non-aided and land grant . . . . .	\$11,724,000
Union Pacific collateral trust . . . . .	11,224,000
Union Pacific sundry earlier trust bonds . . . . .	12,033,000
Union Pacific sundry mortgage bonds on portions . . . . .	<u>4,559,635</u>
Total liens subordinate to United States claim . . . . .	<u>\$39,540,635</u>
Total funded debt Union Pacific roads proper . . . . .	\$78,978,635
DEDUCT:	
Sinking funds, estimated . . . . .	\$5,000,000
Land, cash and funds . . . . .	<u>10,807,357</u>
	15,807,357
Bonded debt, exclusive of United States subsidy . . . . .	<u>\$63,171,278</u>
UNITED STATES AID BONDS:	
Principal Union and Kansas Pacific . . . . .	\$33,539,512
Add interest disbursed to Nov. 30, 1894 . . . . .	<u>55,829,069</u>

Total principal and interest advanced . . . . .	\$89,368,581
Less repaid by services and United States sinking fund, etc., as per Treasury ledgers	<u>34,281,518</u>
Apparent net debt to the United States . . . . .	<u>\$55,087,063</u>
Total debt net for account of its own lines . . . . .	<u>\$118,258,341</u>

The bulk of this debt bears six per cent interest, and the average is near six.

The present fixed charge would seem to be about \$8,000,000 for interest exclusive of rentals, guarantees and sinking fund requirements, \$1,250,000 per annum, largely on branch lines and feeders. Besides the 1827 miles of its own the Union Pacific controls by stocks, bonds, leases, 5868 miles, on account of which it incurs large obligations. Many of these may be scaled down.

## CENTRAL PACIFIC RAILROAD COMPANY.

(Including Western Pacific.)

	OUTSTANDING.
CAPITAL STOCK, of which \$724,500 is held in Treasury in trust . . . . .	<u>\$68,000,000</u>
BONDED DEBT:	
First mortgage, main line and branches, 1360 miles . . . . .	\$45,038,000
Land bonds . . . . .	<u>2,837,000</u>
Total having undisputed priority over United States lien . . . . .	\$47,875,000
Fines of 1939 (issued since lease of road) . . . . .	<u>11,000,000</u>
Total bonded debt Central Pacific road proper . . . . .	\$58,875,000
DEDUCT: Company sinking funds, exclusive of land, cash and notes, \$500,000 . . . . .	<u>10,698,702</u>
Net balance company bonded debt . . . . .	\$48,176,298



## UNITED STATES AID BONDS :

Central Pacific and Western Pacific prin- cipal . . . . .	\$27,885,680
Interest disbursed to 1894 . . . . .	42,669,882
Total principal and interest advanced . .	\$70,555,562
Less repaid by services, cash and sinking fund . . . . .	13,671,558
Apparent net balance, December 31, 1893 . .	<u>\$56,884,004</u>
Total net debt for account of its own lines . . . . .	<u>\$105,060,302</u>

The Central Pacific Railroad is leased to the Southern Pacific Company, which agrees to pay interest and fixed charges. Net earnings were sufficient to meet charges but not dividends in 1893. For 1894 the financial condition is not improved.

The original charter conferred the power of consolidation on these four or five subsidized corporations, after completion, and it would have been wise policy to have merged the two main companies years ago, and thus have saved much friction between them, and avoided the consequent building of superfluous lines. The Union Pacific has had the misfortune of internal dissensions almost from the first, and has not always been judiciously financed; its burdens are unduly swollen, and its field of operations open to assaults of its rivals from which it suffers continually. The lease of the Central Pacific to the Southern should be canceled, and the Union take the place of the Southern. If the stockholders of both companies would but take the trouble to register their shares in their own names, and authorize an equitable consolidation, terms could be found and this consummation promptly reached. The Central Pacific managers (who are now only small stockholders) have been stubborn for their own advantage, and have thus far presented a united front. Perhaps the two cannot be dealt with by legislation on exactly the same footing, but in some way a sort of coercion could be put on one or the other, to promote a consolidation which would benefit the community at large.

For the sake of simplicity it would be preferable to have the amount of new indebtedness, when ascertained, cut up into one hundred annual (or preferably two hundred semi-annual) installments of the principal sum, one of which shall become payable each six months, together with the interest on all deferred payments. It is possible, of course, to add the whole interest at once to the principal and then divide this into two hundred equal payments; but this only excites distrust, and nearly the same uniformity of requirements can be reached by a graded rate of interest commencing at one and one-half per cent for the first ten years, with a gradual increase toward six per cent for the last decennium, with a proviso that, in the event of unlooked-for prosperity, the remainder may be canceled at any time at the then prevailing rate. This would create a powerful inducement to extinguish the government claim at the earliest rather than at the latest date. The practical working of this plan may be seen from the subjoined statement, for the two companies combined (of which about sixty per cent would be borne by the Union and forty by the Central), whereby, if the debt were anticipated in the forty-ninth year, the average rate of interest paid would be 2.2 per cent; if on the seventy-fourth year, 3.1 per cent; and if allowed to run to maturity, 3.3 per cent.

It would not be difficult to frame a much-needed section or two in amendment of the pending bills which should secure these salutary ends: (1) To enhance the borrowing power of the debtors; (2) to provide for an anticipation of the subsidy debt in advance of the prior liens; (3) to promote a consolidation, and at the same time dispense with the cumbersome supervision of directors, bureau and commission; (4) to shield the local traffic from undue oppression; (5) to encourage the construction of certain great permanent structures, and to insure the maintenance of a superior roadway; (6) to prohibit payment of dividends by lessor or lessee companies without the consent of the Secretary of the

Interior, or in excess of two per centum per annum, so long as one-half of the obligations delivered to the United States, together with the interest accrued thereon, remain unredeemed.

*STATEMENT showing the operation of an annual payment of one per cent of a debt of \$125,000,000, with a progressive rate of interest on deferred payments, so as to require approximately uniform semi-annual installments; and also afford an inducement to the debtor to cancel at the earliest practicable date.*

Decennium.	Rate of Interest.		Interest.	Total Annually.	Outstanding Principal.
	Per cent.	Year.			
1st to 10th	1	1st	\$1,250,000	\$2,500,000	\$125,000,000
11th to 20th	1½	11th	1,737,000	2,987,000	112,500,000
21st to 30th	2	21st	2,000,000	3,250,000	109,000,000
31st to 40th	2½	31st	2,187,500	3,437,500	87,500,000
41st to 50th	3	41st	2,250,000	3,500,000	75,000,000
51st to 60th	3½	51st	2,187,500	3,437,500	62,500,000
61st to 70th	4	61st	2,000,000	3,250,000	50,000,000
71st to 80th	4½	71st	1,687,500	2,937,500	37,500,000
81st to 90th	5	81st	1,250,000	2,500,000	25,000,000
91st to 100th	6	91st	750,000	2,000,000	12,500,000

The amount of interest and the total annual requirements for the intervening years would be less by sums varying between \$12,500 in the second year to \$75,000 in the ninety-first year, and are readily ascertainable.

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## TERMINOLOGY AND THE SOCIOLOGICAL CONFERENCE.

In the ANNALS for September, 1894, appeared a paper by Mr. I. W. Howerth, on the "Present Condition of Sociology in the United States." The result of this writer's extended and careful inquiry was to show "the chaotic condition of sociological thought." Much of recent discussion has had a similar result, leaving the impression upon the public at least that there was little agreement among sociologists as to the nature or even the field of their science. Thus Mr. Spencer defines sociology as "the science of society," and gives as a reason for adopting the term that "no other name sufficiently comprehensive existed." By inference, therefore, we may assume that he intended the word to mean a *comprehensive* science of society. This definition is accepted by Ward and De Greef, and with slight variations by other writers. Recently, however, the propriety of this definition has been sharply questioned. With Small the departure is apparent. "Sociology is the synthesis of all the particular social sciences," but "not a substitute" for them, nor does it strictly include them. "Sociology is subsequent to all these sciences and dependent upon them." The difference is obvious. Economics, politics, etc., are not parts of sociology, but separate sciences, each cultivating a field within which sociology cannot trespass. But when they have raised their different crops of conclusions a new science, sociology, subjects these conclusions to a subsequent combining process by which alone they can be transformed into "a body of wisdom available as a basis of deliberate social procedure." The agricultural simile is not intended as a caricature. The writer himself says that sociology uses social facts "as the raw material of social ideals."

Still a third and apparently very different view of sociology is vigorously championed by Professor Giddings. He objects to De Greef's classification as one of "the all comprehending schemes" which "includes everything, from the husbanding of corn and wine to electioneering contests in the Institute of France." Such a conception not only requires the sociologist to be "either omniscient or superficial," but it "disintegrates his science." Sociology is "defined as the science of social elements and first principles. It is not the inclusive but the fundamental social science." And farther, in apparent contradiction with the preceding definition, "the special social sciences *rest on* sociology." These are but fragments of his keen and vigorous indictment of former classifications.

It is not strange that these striking differences of opinion should have deeply impressed the popular mind. The desirability of removing both this impression and the fact that caused it led to a conference recently in New York,\* at which prominent representatives of all shades of opinion were present, including the American writers already mentioned. Sociology was there defined as the "inclusive," the "co-ordinating" and the "fundamental" social science, with all the diversity which previous utterances had led us to expect. The final result of the discussion, however, was to the minds of those present so important, that it seems desirable to give it, if possible, a more permanent and effective form. While I write with this end in view, I do not, of course, assume to speak authoritatively for the conference, nor shall I maintain even the form of report, except so far as suits my purpose. I merely give my own view of the question discussed, a view which I understand to be in substantial agreement with the conclusion reached by the conference. That conclusion was that the three unreconciled conceptions of sociology before mentioned are reconcilable and at the bottom identical.

\* December 28, 1894. See below p. 139.

In the first place, only a moment's reflection is needed to show that a "co-ordinating" and a "fundamental" social science are one and the same thing. How are the various sciences which deal with society to be correlated? We are past the day when this correlation can be accomplished by the bookbinder or the printer. To bind in one volume, with the name, social science, treatises on economics, politics, etc., with possibly the prefatory remark that they all concern man in his relations with other men, produces much the same organic result as that of the daily paper which prints in adjacent columns accounts of a sermon, a reception and a prize fight under the heading, social events. Of course, no sociologist of the slightest repute has ever sanctioned this mere bundling together of distinct sciences under the name of sociology, and objections to such a process are mere attacks upon a man of straw. But it has not always been clear how the social sciences were correlated. There is plainly but one way which can have any scientific significance. If the social sciences are correlated, it must be by the possession of certain principles that are common to them all. If there are any laws which govern men in all their associations, in the factory, the household, the church, etc., these laws must certainly be regarded as fundamental. Furthermore, it is plain that the discovery and formulation of these laws will disclose the relations which subsist between those different sciences which deal with different classes of social phenomena. It is not clear that these sciences can be related in any other way than by a common dependence on fundamental and universal principles. It would be idle to insist on a truth so obvious had not differences of form and emphasis left the impression of disharmony, which it is to be hoped that future usage will avoid.

This difference is most apparent in the allied question, Is sociology "subsequent to" and "dependent upon" the other social sciences, or do they "rest on sociology?" Both statements are true, as their authors readily admit, while



emphasizing them differently. Sociology is logically precedent and chronologically subsequent to the differentiated social sciences. The universal laws governing human association are necessarily "the postulates" of the differentiated social sciences, and the latter "rest on" the former, but historically these sciences have preceded and must precede sociology. How do we know that a law is universal if not by comparing the results of many local observations? The special sciences furnish to the general science its data, receiving from the latter their postulates in exchange. The dependence is, of course, mutual, and should be so recognized.

We have remaining two conceptions of sociology which are apparently more distinct. The "comprehensive social science" includes the special sciences; the "science of social elements and first principles" emphatically excludes them. It is perhaps too much to say that these two conceptions are identical, but it can be clearly shown that the difference has less importance than recent discussions have seemed to give it, there being substantial agreement as to the real relations involved and the wisest course to be pursued by both investigator and teacher.

Let us notice the agreement as to facts before we discuss the question of terminology. Everyone admits that there are certain general laws governing the association of men in groups of every kind, and profoundly influencing the character of these groups, even in their remotest details. These are comparable to gravitation, chemical affinity, etc., and their formulation is, conceivably at least, a definite and useful task. On the other hand, no one will claim that these simple generalizations supply all needed knowledge of society, or exhaust the field of scientific inquiry. These general laws must be studied in their secondary or special phases, which are local in their manifestation. This gives rise to certain other definite and presumably profitable tasks, the achievements in which constitute the well-known special social

sciences. Though logically secondary, they have developed historically first, on the principle so admirably formulated by Simmel that "the simplest results of thinking are not the results of the simplest thinking." As to the relation of these secondary sciences to the primary science, there is not the slightest disagreement. They are *branches*.<sup>\*</sup> It is only a question whether they are branches *of* sociology or branches *from* sociology. When men agree upon facts, and know that they agree on them, questions of terminology usually lose their interest, but until we have a more discriminating public to deal with, these questions will never wholly lose their importance.

Without attaching much importance to metaphor, it may be useful to make a larger application of the one last used. A tree has branches. They are dependent on the general life of the tree, and their general character is determined by it. Nevertheless, they have an individual identity and local peculiarities. Is the tree merely a bundle of branches? By no means; it has root and trunk, without which there would be no branches. In the case of our particular tree we are all agreed except as to the name. We have names for the branches and one name to spare—an excellent name, which we can apply either to the trunk or to the whole tree. Some say the branches are parts of the tree and others say they are not, all of which is obviously only a question of words, or rather of a single word; and even here the dispute seems to produce no confusion of ideas as to the facts.

This last point is the very question at issue, and it behooves us to be sure. If the double use of the term has bred confusion, it will appear in the treatises on the subject. The most prominent of these are those of Spencer and Ward, both large works and based on the idea that sociology is the

<sup>\*</sup> I am, of course, speaking of economics, politics, etc., in the ordinary sense. If these terms are used in an extraordinary sense, nothing which has been said here or heretofore may find intelligible application to the new concepts which these familiar terms are made to stand for. This is at least an objection to needless innovations in accepted terminology.

comprehensive social science. Here, if anywhere, we should expect to find the special sciences actually incorporated into sociology. But this is far from the case. Spencer and Ward have never been counted as economists in anything but the most general way, though their claim to a high rank as sociologists is beyond dispute. Ward has been criticised for introducing matter too fundamental, *i. e.*, his monistic philosophy, but never, so far as I know, for going too much into special lines. Objection may be taken to their conclusions, but it can hardly be said that they have abused their inclusive definition in practice. The reason is obvious. Too great attention to the branches would have defeated their purpose, and any man who has the ability for broad generalization may be trusted to appreciate that fact. That Spencer has had the same working conception of sociology as his critics was not only freely admitted by all at the conference, but has been admitted by them before. Says Professor Giddings: "Sociology is a general science, but a general science is not necessarily a group of sciences" (to which Spencer would assent in theory and practice). "No doubt the word will continue to be used as a short term for the social sciences collectively, and there is no harm in that. Again, in a synthetic philosophy like that of Mr. Spencer's, it can always be used legitimately to denote an explanation of social evolution in broad outlines of abstract truth." It is plain, therefore, that Professor Giddings both fairly appreciates and justifies Mr. Spencer's use of the term and his development of the subject of sociology. How comes it, then, that his carefully weighed statements have produced such an exaggerated contrary impression? I will venture an explanation based partly on his statements and partly on my own speculations.

Spencer has not defined sociology as a mere group of special sciences or treated it as such, but he has been so interpreted. This is the more possible, because more than almost any other man he has been talked about by men who



never read him. To him the science of society was a tree with many branches. He called the tree sociology and as a sociologist considered mainly the trunk, leaving the branches to specialists in the study of their individual characters. The public has gotten from Spencer's sociology little but the name and has applied that to the bundle of branches, because that was all it knew about the tree. The priority of local investigation made this inevitable, but it was unfortunate for the progress of the science. The specialist who "straddled" over two or three branches was deemed a sociologist, which he was not in the Spencerian or any other sense. Fundamentals were neglected in the effort of the teacher to enlarge his repertoire. Doubtless, some real sociology came of this, but only incidentally and as it were unconsciously. To this objection from the standpoint of science was added another from the standpoint of pedagogics. The university which has instruction in the various social sciences has no room for a chair of sociology in this pseudo-sense. Without academic recognition sociology can make little progress. It must not be forgotten that this pseudo-science never had the sanction of any reputable sociologist, but it gained credence and was an ugly fact to be reckoned with.

Against this conception Professor Giddings has properly protested. To the minds of some his protest has in turn been liable to misinterpretation. He has seemed to over-emphasize the separateness of sociology from economics, etc., even to the extent of making it a co-ordinate science. Again, he has seemed at times to hold Spencer and others responsible for all the misinterpretations to which their writings gave rise, thus producing the impression to which reference was made at the outset, that sociologists were not agreed as to the very subject of their science, an impression which was not only incorrect as we have seen, but in turn prejudicial to the science. But it is hard to perfectly apportion one's emphasis or foresee all the misinterpretations which

will arise, and Professor Giddings deserves the fullest recognition for his services in rescuing sociology from the "straddlers," in insisting that the tree was more than the sum of the branches and that this *more* was the very thing that gave sociology its reason for existence. This service is none the less real because the false conception was not chargeable to any prominent representative of the science.

I am, of course, aware that the relations here discussed are not so simple as I have seemed to make them. I fully concur in the acute suggestion of Professor J. B. Clark, that in all applications of the tree and branch figure the tree should be a banyan tree. The special social sciences do not deal exclusively with the phenomena of human association. Economics, for instance, receives postulates from psychology and the physical sciences as well as from sociology. As a partially independent science it may even give postulates in turn to sociology, thus reversing the order of dependence. Frequently, too, there is a difference of perspective, as when the economist studies association as a factor in the development of wealth, while the sociologist is studying wealth as a factor in the development of society. It may be urged against every classification that it artificially simplifies and, in so far, misstates the real relations involved. But this does not invalidate the classification. The question is, does it isolate and emphasize the *most important* relations of dependence? It seems to be generally agreed that the laws of association are the principal postulates of the special "social" sciences if we may judge by the name applied to the group.

I have tried to show that the real working conception of sociology has been much the same with all who have attained recognition as sociologists, misconceptions having rested with outsiders whose important relation as patrons and sympathizers has warranted the discussion. The question whether the special sciences are a part of sociology is important only in so far as it influences the *practical* relations of

those sciences. I have no fear that any one who makes serious advances in the study of fundamental sociology will be a trespasser in special fields, or that anyone who confines himself to special fields will be recognized as a sociologist. I, therefore, hope that not much more time will be spent in discussing this question of inclusion. But in a paper like this the subject perhaps deserves mention. There are arguments, none of them very important, on both sides.

In favor of calling the special sciences branches of sociology may be urged, first, the etymology of the word which suggests a science co-extensive with society or the phenomena of human association. We must never be slaves to etymology and where the etymology is concealed or usage has set it aside, it should be unhesitatingly ignored. But here etymology is exceedingly evident and all usage is so far in its favor. It is almost certain to influence usage which is only partly under scientific control. There is a constant interplay in the popular mind between all the derivatives of this root which may well make us despair of giving to one of them a narrow and exclusive meaning.

Farther, there is need of an inclusive term and with Spencer we must confess that we know of no other which has any chance of adoption. Social science has been proposed, thus freeing sociology for the narrower use. But the fate of "natural science" in competition with biology is not encouraging. Though backed up by extensive usage its inherent unsatisfactoriness ruled it out and biology has been substituted, it must be confessed with general satisfaction. Moreover, "social science" has been thoroughly spoiled by bad usage.

Finally, the inclusion emphasizes a real connection and mutual dependence which is eventually more important than dangerous.

Against this inclusive use of the term there is first of all, "the pressure of the academic situation," the influence of which, upon the present discussion, was frankly recognized



at the conference. Just now sociology is being examined by boards of trustees. Has it a field of its own which will warrant the creation of a separate chair? Other scientists are watching for poachers upon their preserves. As one economist puts it: "The sociologist has no business in the field without the economist's consent." It is a time for diplomacy, a time to insist that sociology is not economics or politics *at all*. These considerations are temporarily important but, let us hope, only temporarily so. They should not make us nervous or drive us into a position from which the indefinitely more powerful laws of language growth will ultimately force us to recede. Moreover, the greatest sociologists have hitherto not been teachers and the same may be true in the future. For them at least, this academic nervousness is meaningless and they are not likely to consent to concessions made in its behalf.

Farther, it is said that the inclusion of the special sciences makes sociology unwieldy and too large for any one man. Here again we meet the academic influence, urging that the field be divided as it used to be in the old school books, into lessons of approximately equal size for convenience of assimilation. This consideration is not without force, but it must be remembered that the names applied to the sciences have long ago ceased to determine the scope of individual careers. Chemistry is a science vastly larger than the capacity of one man, but the term is appropriately applied to the study of the whole body of phenomena which involve the law of chemical affinity. To have trimmed the word down to the size of a man would have lessened its usefulness and bred confusion. The wiser course has been adopted of using qualifying adjectives. The observer of general laws treats of general chemistry, while organic chemistry, physical chemistry, etc., are fields of special investigation.

For all these reasons I incline to the opinion that sociology will be most profitable as a general term, including the special social sciences as its branches. I believe such an

inclusive use of the term will be forced upon us whether we will or not, as has been the case with biology. As in the latter case, however, the narrower use is admissible and practicable, though "general" sociology will often be found desirable for explicitness, as even Professor Giddings' writings testify. But inclusive or exclusive it must not be forgotten that sociology is more than a group of special sciences, and that the study of fundamentals should be strongly emphasized. This matter is important; the other, it seems to me, is not.

One question remains to be considered which bears slightly on the last. In his recent admirable publication on "The Theory of Sociology," Professor Giddings notes that, "In the study of institutions, more than anywhere else, general (!) sociology has been confounded with the special social sciences." He believes this is due to a desire for "symmetry and completeness." I believe, however, that the symmetry actually attained will hardly justify this conclusion. The social institutions are never equally treated, industry being most of all neglected. The reason is clear. A certain development of the special sciences must accompany or precede the development of general sociology. As a matter of fact these branch sciences have been very unequally developed. Economics has been highly developed, while the family, religion, etc., have been so little studied that they have given their name to no science. Until something is done here generalization is impossible, and for lack of specialists the sociologist has been obliged to do this preliminary work himself. Of course the work is not very thoroughly done, and the resulting mixture (if not confusion) of general with special is not very satisfactory, but it is inevitable. In the academic field this union of non-co-ordinate elements is even more unavoidable. The professor of sociology generally finds others teaching politics and economics on his arrival, but he is expected to teach domestics\* himself. This and other like combinations must

\* I suggest the term. I am ready to accept a better one.

long continue in most of our institutions. All the force of academic usage will tend to associate these studies with the name, sociology. It is worth considering whether it is better to oppose this tendency, or make use of it to secure the larger inclusion.

I suggest by way of recapitulation:

Sociologists are substantially agreed as to the nature of the task before them, and the limits within which the individual investigator can most wisely confine his efforts. While differing as to the propriety of using the term sociology in an inclusive sense, they differ less in actual usage, and all confess the question unimportant.

It is farther agreed that the practical worker in sociology should distinguish clearly between general principles and details, that the study of either is sufficient for the most ambitious investigator, and that they appeal to temperaments so different that specialization is desirable. At present the study of fundamentals should be emphasized. The scope of the individual career will depend, not on the symmetry of scientific classification, but on ability and temperament and the exigencies of the academic situation.

Finally, the majority of usage, both scientific and popular, seems to require a definition something as follows: Sociology is the science of society. Its field is co-extensive with the operation of the associative principle in human life. The general laws of association form the subject of general sociology, a science distinct but not disconnected from the branch sciences of economics, politics, etc., which rest upon it, though in part developed before it.

I am far from wishing to force my opinion on others. If I am mistaken in interpreting the conclusion reached by the conference I invite correction. But I am at least sure that I speak for all in urging uniformity and a speedy conclusion of this discussion. Any agreement is better than none when only terminology is at stake. To devote whole chapters or even university courses to the discussion of such a topic will



suggest vacuity of substantial thought. It will be in vain for us to insist that sociology has a field of its own and is big with promise, unless promise is followed by speedy fulfillment. It is important to stake out our field with care, but let us get done with our surveying and get at our plowing, for the field is, after all, boundless and most of it common, and the world cares only for our crop.

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## A NEGLECTED SOCIALIST.

The revolutionary year 1848, contrary to what has been generally supposed, is the end of a distinct period of socialism, rather than the beginning of all socialistic movements in Germany. In this period lie the sources of that social political movement which at the present moment controls the legislation of the German Empire. It is as great a mistake to begin German socialism with the Communistic Manifesto of Karl Marx and Friedrich Engels as to begin the history of the American Revolution with the Declaration of Independence; and yet the former has been done by nearly all writers on the subject of socialism. Professor Adler, of the University of Basle, is almost the only writer who has done justice to the neglected period before 1848.\* If the period itself has been neglected, much more have some of the most active spirits who contributed to its importance. It is with a neglected socialist of this neglected period that this paper deals.

We find ourselves in the midst of the troublous times between the July revolution of 1830 and the March revolution of 1848, between the two capital cities where the life and thought of two great European nations focus. The great French revolution and its immediate effects had become history. Its sacrificial fires had gone out in the temple of Vesta, but sparks were glowing still on household hearths before the gods of Liberty, Equality and Fraternity. Napoleon's dramatic career had closed, but its influence was still mighty among the reconstructed states of Germany. A new generation had sprung up and a new code of ideas had been formulated. In France, constitution-mongers had given way to social reformers; in Germany, advocates of

\* "*Die Geschichte der ersten sozialpolitischen Arbeiterbewegung in Deutschland*," Breslau, 1885, contains an excellent bibliography.

republic and unity seized the opportunity for political agitation. In France, new social theories were being discussed and social utopias invented; in Germany, political emancipation from feudal conditions was the one united aim of the discontented classes. In both countries secret clubs and unions were formed for the propagation of the new ideas. While the revolution of 1830 added to the list of liberties enjoyed by the French people, it caused the German people on the other hand to lose even the meagre liberties which they had. The harsh measures adopted by the German princes not only against conspiracies but against all liberalizing influences—especially the press—had the effect of strengthening socialism in France, and changed in the end the entire character of political agitation in Germany. The Frankfurter Attentats (April 3, 1833), and the Vienna convocation led to the founding of the first unions of German refugees on foreign soil. The "German Society of the Proscribed" (*Deutscher Bund der Geächteten*) in Paris, and "The Young Germany" (*Das junge Deutschland*) in Switzerland, had the same aim: "the freeing of Germany from the yoke of dishonorable servitude, and the establishment of a condition of affairs which as far as man is able to foresee will prevent a relapse into thralldom." The new department of ideas which they found in the foreign land, they seized with the same energy with which they had entered into politics at home. As Hildebrand says,\* they had learned to know the unsusceptibility of the masses in Germany for their political dreams and had begun to despair of bettering the state of life at home. The wants and the shadowside of other lands impressed them. They saw the sorrows of Ireland over against English land and money aristocracy; the police centralization of France, the Jesuit endeavors of republican Switzerland. All these experiences made their patriotic hopes and ideas cosmopolitan, and they declared war on the social foundations of society.

\* "*Die Nationalökonomie der Gegenwart und Zukunft*," Frankfort, a. M., 1848.



By degrees the Paris union came to be composed almost entirely of laborers. The socialistic and utopian schemes of Babeuf and Fourier were eagerly read and studied. The French Republicans alarmed at the socialistic revolutionary tendency which was setting in, were moving toward the right, leaving the remnant of the "Mountain" to join itself with the proletariat. Plots and conspiracies became more and more frequent until at length the state was provoked to take summary means for their suppression, which naturally had the effect of making the unions more secret. In 1837 the "Society of Equals"—the real representation of Babeufism—had developed into the "Society of the Seasons" (*Société des Saisons*) with Blanqui, Bernard and Barbès at its head. Its aim was social, no longer political. Buonarroti had sometime since returned from Switzerland, whither he had been forced to flee, and had published his "History of the Conspiracy of the Equals." Babeufism, in consequence, was again rife in France. Saint Simonism as interpreted by Enfantin and Bazard had run its course, but the "new Christianity," as Lamennais presented it in his "Words of a Believer" (*Les Paroles d'un Croyant*), exercised an unexpected influence on the German political immigrants. Fourier, who during his life found no encouragement for the introduction of his social scheme of association, by his death in 1837 caused the tide of socialistic thought to flow in channels which he had in theory marked out. His theories, through the works of Considerant, Pellarin, and Chevalier, were brought into the daily life of the proletariat. In 1839, Cabet returned to France from his exile in England inspired with Owenism, which he transplanted on French soil with his own originality. His "*Voyage en Icarie*" appeared in 1840. This same year Proudhon published his greatest work "What is Property?" the effect of which was to double the discontent of the proletariat, and to convert no less a mind than Karl Marx to socialism. Many writers and agitators less known to literature were

making propaganda and organizing clubs for the discussion of these great socialistic theories. The German laborers in Paris were reached through such men as Dr. Ewerbeck, Dr. Schuster, and Dr. Mäurer; men educated at the German universities, and well acquainted with the philosophies of Kant, of Fichte, and of Hegel. They had gone to France with their minds filled with abstract, political views, there intending to make propaganda for the "Republic of Germany;" but in a short time, owing to a force of circumstances and the irresistible influences of their socialistic environment, from political visionaries in the foreign land became spreaders and leaders of social theories.

It was with similar ideas, that the subject of our sketch, William Weitling, a proletarian of the proletariat, came into this tropical-socialistic atmosphere in the French capital and lived there for three years. He, too, experienced the same changes in his ideas and purposes. From the schooling he received in Paris he became an important socialistic agitator and the most prominent character, as we shall see, in the history of German socialism before 1848.

His life before he went to Paris was a preparation and in part, at least, an index of that which followed. Born in 1808, in Magdeburg, a city celebrated in history as the hot-bed of liberalism, whether in trade, religion or in politics; in an environment where speech and press were the freest of any in Germany, he knew poverty by experience and acquired by inheritance a hostile spirit toward all masters. He attended school in Magdeburg, and meanwhile served his apprenticeship to a tailor. His keen observation and warm sympathies for those who were similarly situated, made the consciousness of the existing social and economic relations galling. This consciousness became the unselfish passion of his life. He says: "If I many times boil up in rage on account of the wretchedness of society, it is because I in my life have often had the opportunity of seeing misery near to, and of feeling it, in part, myself; because I as a boy was

raised in bitterest misery, so bitter, indeed, that I shudder to describe it." His life as an apprentice was unenviable. At the age of eighteen he became a journeyman. In 1828 his wanderings began and in reality did not cease until his death.

In 1830 he appeared in Leipzig. Already his mind was bent on reform, and he wrote radical articles describing the deplorable condition of Germany. But these efforts, as well as his verses on the movement for freedom in Saxony were refused by the *Leipziger Tageblatt*, to whom he offered them. Doubtless this rebuff inspired him to write that Miltonic plea for press freedom which is one of the characteristic features in his social system. In 1835 we find him a gardener in Vienna. His stay here was short, being obliged to leave, it is said, in order to avoid the rage of a prince of Hapsburg who had observed a love relation springing up between Weitling and a young woman whom the prince admired. From Vienna he went to Paris, remaining there but a few months, though long enough to feel the attractions of that city for his restless spirit. After a brief visit to Germany he decided to establish himself permanently in France. Weitling arrived in Paris in September, 1837. Not long after his arrival he became a member of the "Society of the Just" (*Bund der Gerechten*), which had been formed the year previous by a bolt on the part of some of the more democratic members from the *Bund der Geächteten*. They adopted the statutes of the latter, with but two points of difference, touching administration, namely, the secret superior officers were replaced by a standing committee called the *Volkshalle*; and the principle of absolute obedience was replaced by a more democratic system of regulations.

Inasmuch as this *Bund* forms the pattern of all the numerous organizations founded by Weitling during his career of agitation, it will be well to give a few of the details concerning it. At the head stood the *Volkshalle*—as a committee of administration. A strict moral life was enjoined upon each member. Whenever a member removed to another



place or country he was expected there to establish a branch organization, make propaganda, disseminate socialistic literature, and to keep in constant correspondence with the Paris Bund. The majority of the members were laborers, a few were *littérateurs*. Besides Germans, the Bund comprised Swiss, Hungarians, and Scandinavians; but the language spoken was German. Public questions and social problems were discussed. Socialistic and revolutionary writings were read in the society, and also written and published by the members. Of all the socialistic systems, Cabet's found the largest number of adherents, doubtless owing to Ewerbeck who was at the same time the translator of the "Icaria" into German and also a member of the Volkshalle. The Bund stood in closest relations with the other socialistic and revolutionary societies and clubs both in and out of France. Emissaries were sent to Germany with tracts, but succeeded in gaining a foothold only in Hamburg. Political propaganda was entirely forgotten in the enthusiasm for the introduction of a socialistic state.

Weitling became a prominent member and soon took the lead as an agitator. He qualified himself also in a still more distinguished way. The year following his advent in the Bund he published "Mankind as it is and as it should be" (*Die Menschheit, wie sie ist und wie sie sein sollte*, 1838), the work of an eclectic, socialistic, revolutionary spirit. It builds the framework of his later published system. The first edition (2000 copies) was printed in Paris on a secret press, the work being done and the entire expense borne by the members of the Bund. Before two years had passed it had been translated into Hungarian, and had been spread over Switzerland, Germany, France, and Scandinavia. The practical side of his social philosophy showed itself in his establishing a communal eating house for his fellow laborers. This principle he attempted to carry out wherever he worked, but its success was nowhere more marked than in Paris.

The *Bund der Gerechten* desiring to spread their socialistic ideas among the German laborers in Switzerland sent Weitling thither in the summer of 1840 to reconnoiter. He found the conditions most favorable. The society, *Das junge Deutschland*, was in a languishing condition owing to the banishment of its former leaders, and the strict police surveillance in French Switzerland. In 1841, he moved to Geneva, and thus began his career as an independent socialistic agitator. He joined a "Laborers' Educational Club" (*Arbeiterbildungsverein*), in order to gain a foothold for communism. But failing to win the society to his views, he withdrew and organized a Swiss branch of the *Bund der Gerechten*. He won Becker, a leader in the *Junge Deutschland*, over to communism. Simon Schmid, also a member of the Paris Bund, concerning whom Seiler wrote that "this tanner had more administrative genius in his little finger than the German ministers in all their skulls together," assisted Weitling in his plans of organization. The canton Waadt was most favorable as a base of secret operations, and from these communistic labor unions were founded in Geneva, Lausanne and around the shores of the lake. The Bund gradually spread itself over all northern Switzerland. Its open forms consisted of "educational clubs," "singing clubs," and "communal-dining associations," by means of which the propaganda spread rapidly.

Weitling further adopted the French tactics by starting a monthly organ for his agitation. In the latter part of 1841 "The Cry for Help of the German Youth" (*Der Hilferuf der deutschen Jugend*) appeared; its tone was moderate; its motto shows its purpose and spirit—"Against the interest of the few in so far as it works injury to the interest of all; and for the interest of all without excluding a single individual." His plans for the paper met with utter disappointment. He intended to use the profits for the founding of libraries, assemblyrooms and communistic colonies. All this failed of realization, and the paper ceased with the

fourth number. More than all, the dining associations on which Weitling laid so much stress as a means for propaganda were badly managed. In one the treasurer escaped with the funds; in another a similar crime was prevented only because of a large deficit.

But Weitling was not discouraged. To one who makes the salvation of society his religion, such drawbacks are only incentives to larger effort. In January, 1842, he went to Vevey, where already one of his laborer unions had been established. Here he started another paper, "The Young Generation" (*Die junge Generation*), which made more propaganda by being confiscated on the French border than by its harmless editorials. The cantonal authorities set a watch upon him. He, meanwhile, was busy with the writing of his system, which in December secretly appeared under the title: "Guarantees of Harmony and Freedom" (*Garantien der Harmonie und Freiheit*). In this book he presents his social system in a clear and complete form. At this time his reputation as a thinker, socialist and agitator reached the zenith. Seiler mentions him along with Constant, Cabet and Proudhon as the fourth great evangelist of the new era.\* Societies doubled in number and membership rapidly increased, so that at the beginning of the year 1843 Weitling counted with pride thirteen German and four French unions, with about 1300 members in all—the result of two years of persistent agitation. During the year 1842 he came to know Dr. Julius Froebel, a professor in the new university of Zurich, who advised him to come to Zurich because the clouds of opposition were thickening about him in the western cantons. He transferred the publication of *Die junge Generation* to Langenthal, in canton Bern, where it could be more cheaply and safely done; but in May, 1843, he decided to move to Zurich as the Paris Bund advised him to do. He remained always in active correspondence with all the Bunds and their protégés, the labor unions. This was,

\* "*Die Geheimen deutschen Verbindungen in der Schweiz seit 1833.*" Basle, 1847.



in fact, rigidly required in the oath taken to the Bund. When it is remembered that the whole movement was for the most part secret, it challenges wonder at the perfection of its organization.

In Zurich Weitling came in contact with two different classes: one an educated class, composed of students, writers and political refugees from Germany, who were confirmed in Hegelian philosophy, which had been playing an important rôle at the universities of Giessen and Göttingen and on the Rhine; the other a class of criminals, anarchists and atheistic communists, the more recent installment of foreigners in German Switzerland. To the former belong Dr. Froebel and Moses Hess; to the latter Michel Bakounine and William Marr, who popularized Feuerbach's philosophy among the German laborers. Neither class had influence enough to make him change his convictions, and he in the end succeeded in inclining many of them to his way of thinking. Even Bakounine, according to Adler, appears to have been won over to communism.\* But the influence in this case was perhaps reciprocal and only temporary; so that the wish expressed by Weitling's Paris correspondent (Dr. Ewerbeck) that he might "form a close union and sincere intimacy with Froebel and Bakounine, which would be useful to him and to the cause," failed to be fully realized. Froebel's doubtful conversion is shown by the following from a letter to Becker (March 5, 1843): ". . . Say to Weitling that I do not know how far I can agree with him concerning the various ideas in the communistic movement, but that meanwhile my heart is with it. I divide men into egoists and communists—so consider that I belong to the latter."

Both classes hindered rather than helped Weitling's cause. More than all, the German socialism which had recently been brought to Switzerland was atheistic; while his was the French utopian socialism revised by himself with a large infusion of the religious spirit of Lamennais. The numerous

\* "Iwan Golowin: *Meine Beziehungen zu Herzen und Bakunin*," 1880. Page 48.

clubs that sprang up, and the utter lack of harmony of any kind among them, checked the growth of the *Bunde der Gerechten*.

Weitling's next book, and in many respects his greatest, "The Gospel of the Poor Sinners" (*Das Evangelium eines armen Sünders*), appeared in May, 1845. The work shows his deep religious nature and the extreme to which he went to harmonize his communistic principles with the teachings of Christianity. Communism had become a social theology, as William Marr said. Weitling turns to the Bible to establish his own theories: "The premise of Voltaire and others was that religion must be destroyed in order to rescue mankind; but Lamennais, and before him many Christian reformers, as Thomas Münzer and others, showed that all democratic ideas are the outflow of Christianity. Religion must, then, not be destroyed but *used* for the rescuing of mankind. . . . Christ is a prophet of freedom; His theories are the theories of freedom and love." He further interprets the New Testament as the pure gospel of communism, and Christ as the arch-enemy of property, and the founder of a communistic society. He shows clearly yet unconsciously the difference between his own views and those of the young Hegelian communists in Zurich.

Two years before Weitling's career in Switzerland was brought to a sudden close, a stirring prospectus of the "*Evangelium*" which he had circulated fell into the hands of the church authorities who took the matter to the state. The cantonal authorities had him seized (June 9) and imprisoned pending an investigation, and his lodgings searched. They found the manuscript of the "*Evangelium*," and a mass of correspondence giving almost a complete history of the communistic agitation in Switzerland. A committee of five was appointed to investigate the whole subject of the status of communism. After some months the committee made its report through its chairman, Dr. Bluntschli.\* The report

\* "*Die Kommunisten in der Schweiz, nach den bei Weilling vorgefundenen Papieren*," Zurich, 1843.

recommended that the state should not only crush the movement by punishing Weitling, but should adopt measures to fortify itself against the further development of such tendencies. Weitling was brought before the criminal court of Zurich and charged with blasphemy, with attacking the right of property and with founding unions of communists. The latter points he did not deny. He was sentenced to four months' imprisonment and lifelong banishment from Switzerland. Later he obtained, through his counsel, an appeal to the higher court, and his sentence was changed to six months' imprisonment and five years' banishment. This was in December, 1843. An eventful year for German socialism had closed. Marx had had a similar experience with press propaganda in Cologne. The *Rheinische Zeitung* had been suppressed and Marx was in Paris publishing his "*Deutsch-französische Jahrbücher*." Dr. Froebel—Weitling's friend—had barely escaped a similar fate. His paper, the "Swiss Republicans" (*Schweizerischen Republicaners*), in consequence of the loss of subscribers ceased. Communism in Switzerland began to wane.

Weitling's career from this point on is somewhat varied. In May, 1844, he was passed across the border and was much against his will handed over to the Baden police, who delivered him up to Prussia. He was brought to Magdeburg and held as a refugee from military service, but being found to be unqualified he was released on condition that he leave Prussia. He went to Hamburg and found employment in the printing house of Hoffmann & Campe. At this time he published his "Prison Poetry" (*Kerkerpoesien*), verses conspicuous for their warlike nature but of no special merit. In Hamburg he met the poet Heine who was at this time inspired with socialistic ideas. In August Weitling went to London where he was hailed as a martyr. He spoke at a meeting on the twenty-second of September, at which the communists of many lands were present primarily for the purpose of greeting him. He closed his



speech with the toast—"To young Europe: may the democrats of all nations, casting away all jealousy and national antipathy of the past, *unite* in a brotherly phalanx for the destruction of tyranny and for the universal triumph of equality." In 1846 the *Rheinische Jahrbücher* speaking of this meeting said: "The *proletariat of all nations begin* under the banner of communistic democracy actually to *fraternize*." Professor Adler considers this meeting the first in which the socialists of various lands came together in common and emphasized the cosmopolitan principles of socialism, and says that it "led to the founding of the International." At least it may be said it was a meeting of more than ordinary historical significance.

Weitling left London and went to Brussels, where he met Karl Marx and Friedrich Engels who had fled to Belgium, Paris having become too warm on account of Guizot's policy. Brussels like London was a rendezvous for refugee socialists. They formed an association for discussion and instruction in matters touching their cause. At an evening session of socialists March 30, 1846, Marx, Engels, Weitling and other leaders were present. The question of the evening was: "How is it best to make propaganda in Germany?" Marx and Engels seemed to favor conciliatory measures as being most practicable; Weitling, with Seiler his co-worker, opposed any halfway methods of expediency. He was uncompromisingly communistic, though believing in revolution only as a last resort. Regarding the discussion Weitling, in a letter to Hess (March 31, 1846), says: "Marx and Engels discussed the point violently against me. . . . I became enraged but Marx surpassed me; at last everything was in an uproar. I said: 'our discussion goes no further than that he who has the money can write what he will.' . . . I see in Marx nothing else than a good encyclopædia but no genius. Rich people made him an editor—*voilà tout*. . . . I laid my system of labor aside when I found on all sides voices raised against it." In this letter he shows his true

nature. He advocates press freedom absolutely, not a freedom which depends on the payment of money, because if the press is governed by the money principle where is the chance for the poor man to be heard? Perhaps we can find a suggestion of truth in Weitling's standpoint. At any rate he was more consistent than Marx though certainly not as tactful and diplomatic.

In December, 1847, he went to America. Almost immediately on his arrival in New York he founded a new society which he called the "Union for Deliverance" (*Befreiungsbund*), in nature much the same as the *Bund der Gerechten*. Hearing of the upheavals in the fatherland he decided to attempt once more to make propaganda on native soil. The famous March revolution was passed when he arrived in Berlin, but uprisings were still occurring in some of the States—especially in Silesia and the Palatinate. In July he started a weekly paper—*Der Urwähler*. It appeared only five times and then ceased from lack of subscribers. The Berlin proletariat were not yet ready for his system. They had only reached the crisis in 1848 which the French passed through in 1789. Weitling, it is needless to say, was closely watched by the police, and in November was ordered to leave Berlin. He went again to Hamburg and there brought out a new edition of his "*Garantien*." In this edition his system remains unchanged. He adds, however, his positive theory of propaganda in two additional chapters: "Propaganda of the *Befreiungsbund*," and "Necessary Rules in the Next Social Revolution." This time the Hamburg police were on his track and he was forced to flee.

After a short stay in England he returned to America in August, 1849. In New York City he established a "Laborers' Union" whose aim was to found and sustain a communistic colony—"Communia"—in Wisconsin, whither many German immigrants were flocking. At the same time he published a paper—*Republik der Arbeiter*. His Wisconsin "Communia" was short-lived, meeting in 1853 the fate

of Cabet's communal scheme in Nauvoo, Ill. Differences arose concerning the title to the land and the colony was dissolved. The "mine" and "thine" distinction on which Weitling builds his theory of the historical development of private property was too strong for the counter theory of communal property, and he found himself defeated in his plans. His newspaper also perished and he was for a brief while pecuniarily embarrassed. He soon found employment, however, as a clerk in the immigrant office at Castle Garden. His spare moments were devoted to study and invention. He took no more part in labor or socialistic agitation. When Marx's "International" established a branch in New York, Weitling did not join it, although he gave it his hearty endorsement and the benefit of his advice whenever consulted. On January 22, 1871, the occasion of a brotherhood fête of German, French and English sections of the International, he was present and spoke. Three days later he died, leaving a wife and a large family of children.

So closes the life of the most prominent socialist agitator which Germany produced prior to 1848, and when all the facts are known and rightly judged, perhaps the greatest agitator, with the single exception of Lassalle. Even Lassalle owes something to Weitling, for the agitation which began at Leipzig on that eventful twenty-third of May, 1863, was recruited from, and heartily supported by, the followers of William Weitling.

It now remains for us to speak more in detail of Weitling's socialistic theories. We will first consider briefly his criticisms of society, and then pass to an explanation of his social state.

Weitling's most important book, "*Garantien der Harmonie und Freiheit*," gets its title from Fourier, with whose system of harmonies he became familiar while in Paris. He bases his socialism ever on moral grounds. Equality with him is an absolute and indisputable demand. The happiness of man is the aim of society. That man is happy who is



contented, and he alone can be contented who *can have* everything that every man has. He founds his plan of reorganization of society, as did Saint Simon and Fourier, on the analysis of the nature of man. Human desires are the groundwork, as with Fourier the "passions." He divides the desires into three chief classes: (1) The desire to acquire; (2) the desire to enjoy; (3) the desire to know. "All are common to man and spring one from another, for man cannot enjoy that which he does not already have, and he cannot have without knowing where and how it is to be obtained. So that the desire of knowing is the chief motive power of the social organism by which all the others are produced." The means by which these desires are satisfied he calls the capabilities (*Fähigkeiten*), and the application of these capabilities is the mechanical and intellectual labor of man. The capabilities are the natural boundaries of desires; but in the satisfaction of desires new incentives are ever awakened. The desires stir up the capabilities, these the activity; the fruits of activity become enjoyments and these awaken in turn new desires. Here we have the natural law of human progress. For the satisfaction of the advancing desires man must have society in which the labors and enjoyments can be exchanged one for the other. The best organization of society is that in which that method of exchange of individual activities comes into use that least disturbs this natural law of progress; so that neither the satisfaction of desires lessens the capabilities nor the desires and capabilities of the one are held down for the advantage of the other, or are awakened and nourished to the disadvantage of others. The task of all social organization is the guarantee of freedom and harmony of all individual desires and capabilities.

As the desires have a threefold classification, so have the capabilities. Production being the capability corresponding to the first desire; consumption the second, and administration the third. Thus far only the desires of acquisition and

enjoyment have ruled, and knowledge (*Wissen*) has had to bow itself under the rule of its sensuous companions. Hence, vice and crime, which are nothing else than sicknesses of the social body, have arisen out of the disharmonious organization of society. This lack of harmony is due to the principle of private property on which our present society is constructed. Private property is an historical category arising out of the principle of appropriation and the "mine" and "thine" distinctions, first as regards animals and then the land. So long as there was a superfluity of land "this law was entirely fitting for the time," but to-day the land remains just the same in quantity, while the human species has a thousand-fold increased; so that there is no more land but what some lord owns, while the vast proportion of the people are landless. Here is the cause of all the evil, all the want, all the misery.

Out of private property arose the principle of inheritance, which is likened to the larvæ in the fruit. They eat up the fruit and produce nothing except eggs which insure the continuance of this destruction. When inheritance becomes general among a people they become a nation and the "mine" and "thine" principle passes over into international controversies. Thus wars arise and from wars comes slavery. But this is only the historical slavery of the person.

Money, also the result of private property, and created to facilitate exchanges of labor products, has through its misuse created a modern slavery a hundredfold more galling than either the slavery of ancient times or that of the Middle Ages. Under the latter form the lord had an interest in the slave. He took care that he did not work too hard, he nourished him when sick and provided for him in old age. From this interest and care, money has freed the labor lord. He can use up the young powers of the laborer and when they are used up, he can take other laborers into his service. Thus money has freed everyone from the care of the other and placed it upon himself; it has restricted love and increased avarice. On the

one side it has increased the possibility of riches and power; on the other the possibility of poverty and starvation. Finally money has made the heaping up of capital possible and has thereby created the mal-relation between capital and labor, for money is an equivalent of product. Product is the result of labor. Money is therefore nothing else than coined or stored-up labor. The laborer was himself not capable of such a storing up, for the profit of his labor for the most part covered only his needs. The storing up, therefore, originated first from this cause that some one let others work for him, and sold the products of labor at a higher price than he had received them at from the laborer. So profits on profits, embodied in money, were created entirely by the hands of the laborer, but illegitimately taken from him by those who sold the product. And so arose capital and the class of capitalists who rule the laborers. Capital is therefore originally the property of the laborers. Besides capital begets in itself no interest, except through human labor. The capitalist has therefore his riches not alone from the laborer, but increases them daily through the laborer who produces for him the interest. The greater his capital the wider in extent and the more pressing becomes his rule over the laborers and the faster his riches accumulate, especially when anarchy—the right of the strongest (*das Faustrecht des Geldes*)—is exalted into a law. In fine the money system hinders and postpones every calculable progress for the good of all, because the money man supports only that which offers to him personal advantage. In Weitling's social state money finds no place. Its functions are to be performed by the "*Kommerzbuch*," hereinafter described.

We now turn to consider Weitling's social state. Society demands, first of all, the granting of that place to science which is due her alone, namely, the regulating of all the desires and capabilities. The power which resides in the community must not be given to a prince or a dictator, nor to a majority vote in a republic, but it must rest upon the



intelligence which is independent of all personal influences. This is the fundamental premise on which he builds his intellectual-socialistic state. At the head of the state stand the three greatest philosophers—a triumvirate—with whom rests the supreme control and administration. Under them stand a central assembly of masters, an academic council and a health council; and under these in turn the master companies, academic and health commissions respectively, and so on down to the separate work-masters, teachers and health officers. All the higher officers, with the exception of the *triumvirs*, are chosen by the competitive method. Each candidate produces a masterpiece and attaches a sign to it which corresponds to a similar sign in a second letter with his name. The choice is thus made without the name or person being known. The choice of the health officers is somewhat different. There the lot falls to him who can show the largest number of successful cures.

The *triumvirs* estimate all the physical and intellectual needs of consumption according to the statistical testimony of local under officers, and fix the quantity and time of labor for all equally. Six hours of labor are to be the average amount required per day. All material products and intellectual labor are estimated according to their value in *labor hours*; and the authorities fix the ratios of exchange. *Kommerzbücher* constitute the means for facilitating exchanges. These books are issued yearly to each individual, and contain a complete description of the possessor, his portrait, signature and history. They contain sixty leaves, one for every five days, or for 300 working days in the year. A debit and credit system is here carried on. The possessor is credited in his book with as many hours of surplus labor as he has furnished. Against this he is charged with enjoyment hours and all agreeable products which he consumes. If he does not work overtime, then he cannot enjoy anything beyond that which is common. The system amounts to this, that all receive a guarantee of support and enjoyment

for the rendering of six hours of labor service daily; beyond this the enjoyments of each depend on the surplus of labor rendered. The unfit are the special care of the health department, and are to be removed far from the possibility of contaminating the fit. All children at six years of age join the public school army, which is to be a preparation for communistic citizenship. An elaborate system of instruction in all kinds of labor is provided which ends only at the university. Examinations take place for promotion from one grade to another and from one sphere of industry to another. Marriage remains as it is. The women enjoy the same rights and carry the same responsibilities in relation to labor and enjoyment as the men, except that lighter grades of work are reserved for them by the *triumvirs*.

Such is Weitling's social utopia. How the change from the present order of society to this new order is to take place is as difficult for Weitling to solve without overleaping the bounds of natural development as for all other social reformers. But more than some writers, Proudhon, for example, he has a scheme and it is his own. The very first step—one which has thus far been overlooked—is to drive the present form of industrial society to its evil consequences as soon as possible, and precisely on the Keeley cure plan introduce gradually revolutionary measures. The new order will set in automatically, as in Louis Blanc's scheme. When in a village, city, or district three-fourths of the inhabitants by vote declare for the new order and offer their possessions therefor, the rest are compelled to do so, and the new order is established. If resistance is offered, then more drastic measures are resorted to. The proletarians are to declare a provisional government, depose all existing officers, especially the police and judges, and elect new officers from their own ranks. The rich are to be disfranchised and compelled to support the poor and destitute while reconstruction is pending. The property of the state and of the church at once becomes communal. Those who choose to leave the

country may do so, their property being confiscated. The rich who offer their means for the support of the new society are promised a pension during life; the rest, by limitations on their activity, by punishments and penalties, will be forced to succumb. If all these means fail, then "a moral must be preached which no one now dares to preach." A revolution after the order of Babeuf is the "moral."

It is not the purpose of this paper to enter into a critical analysis of Weitling's economic theories or his social system, but simply to present the facts of his career and the main features of his system, and to emphasize more strongly than has yet been done his position in the history of socialism.

Three reasons may be given for his having been overlooked: first, because of the scarcity of copies of his books, since they were confiscated and forbidden circulation in Switzerland, France and Germany, the sources of information concerning him and his work, most of which were favorable to his views, have likewise been suppressed; second, because of the purely political phase in which the revolution of 1848 appeared in Germany; and third, because of the overshadowing growth of a new scientific socialism based on English political economy and Hegelian philosophy, as represented by Karl Marlo, Karl Rodbertus and Karl Marx. The latter movement came from the schools, Weitling's came from practical experience expressed in terms of French socialistic philosophy. The former was busy with the Why, the latter suggested the How; the former had the theory, the latter the practice. Both were brought to a focus in Ferdinand Lassalle. The former produced the "thinker," the latter the "fighter." To both movements the German Social Democracy of to-day owes its origin.

Weitling's position in the history of German socialism is unique, chiefly on account of the fact that he comes from the ranks of the proletariat. From a journeyman tailor he raised himself to the front rank as a socialistic writer, and created the first socialistic movement among the German



laboring classes. Marx recognizes his ability and importance when he says: "Concerning the educational condition or the educational ability of the German laborer in general, I am reminded of the gifted writings of Weitling, which often even surpass Proudhon, however impracticable they may be. Where could the bourgeoisie—their philosophers and learned writers taken together—show a work equal to Weitling's 'Guarantees of Harmony and Freedom,' in relation to their political emancipation! . . . it is a measureless and brilliant literary *début* of the German laborer . . . When one forms his conclusions of Weitling's book he must admit that the German proletariat is the theoretician of the European proletariat, as the English proletariat is the economist, and the French the politician."\* Fr. Engels refers to the "social-democratic tailor" as the "only German socialist who has actually done anything."†

Weitling certainly anticipated in many ways the teachings of later socialists. He is the advocate of unqualified freedom; freedom of speech and of the press, of political and of economic freedom. His motto is: "*Frei wollen wir werden wie die Vögel des Himmels.*" He is also a prophet of deliverance. The social revolution, he considers, must and will come in the natural order of things. "A new Messiah will also come to bring about the teachings of the first." He does not pretend to give the picture of the absolutely best society, but like Lycurgus' constitution, it is the most perfect according to the present knowledge and the best the people can stand. He says: "Never will an organization of society be found which is unchangeably the best for all time, because that takes for granted a standstill of the intellectual capabilities of man, a standstill of progress which is not conceivable. Progress is a law of nature; a standstill is a gradual decomposition of society. To hinder the latter

\* *Vorwärts*, Paris, 1844.

† *Deutsches Bürgerbuch*, 1846.

and to aid the former is the concern of us all and not of a privileged caste." He here and everywhere lays stress upon the evolutionary development of the race, especially upon its intellectual side, hence the importance of the school army in his system and the education of all classes and both sexes. "Science," he says, "must cease to be a privilege; it must be studied by all. Philosophy (in the sense of knowledge) must rule." This he makes the foundation of his future state.

Whatever judgment the critic may pass upon Weitling's theories in particular or on his system in general, this much is certain, that he forms the bridge between French and German socialism; between the materialism of the former and the humanitarianism of the latter. He is the only German socialist that constructed a system and had the courage to carry it out. Judged by his writings, his place is by the side of Fourier and Engels; judged by his services and his agitation, Lassalle alone outranks him.

FREDERICK C. CLARK.

*Berlin.*

## BRIEFER COMMUNICATIONS.

### THE ORGANIC CONCEPT OF SOCIETY.

Professor Patten's objections to "the organic concept of society" concern two distinct issues: first, what is the nature of social relations? second, what is the best method of investigating and expounding social relations? \* Because Professor Patten's argument seems to me to introduce issues which are neither germane nor pertinent to the proper subject, I cannot reply to it premise by premise, but must be content with a restatement which I will try to make direct and clear.

First, as to the *nature* of social relations. The proposition, "society is organic," is an attempt to assert in the briefest form a most obvious truth. Instead of committing sociologists to some mystical hypothesis, it is the truism from which sociologists make their departure in social observation.

In one of his lectures to workingmen Mr. Huxley said: "In almost all living beings you can distinguish several distinct portions, set apart to do particular things and work in a particular way. These are termed 'organs,' and the whole together is called 'organic.' And as it is universally characteristic of them, this term 'organic' has been very conveniently employed to denote the whole of living nature."

Let us suppose that no other expression of Mr. Huxley's views were known to us. Would it be intelligent, not to say scientific, to argue that this Mr. Huxley is surely on the wrong track because the jelly fish and the falcon and the elephant have very different forms, and widely contrasted relations with their environment, and peculiar internal economies? Would it be relevant to dispute Mr. Huxley's proposition on the ground that it is compatible with misconceptions about the origin of species, or because it would lend itself to an inadequate formulation of evolution? Yet this seems to me precisely analogous with Professor Patten's contention against "the organic conception."

Professor Patten concedes that "the industrial organism" is a fact. But he proceeds to discuss the "cause" of the fact. I submit that the metaphysics or even the physics of the phenomena will hardly be authenticated by denying the generality of the phenomena themselves. The "organic conception" is the subject under discussion, not the antecedents of the facts out of which the organic conception

\* See "The Organic Concept of Society." ANNALS, Vol. V, p. 404, November, 1894.



is composed. We may agree or disagree with Professor Patten's metaphysics at this point without gain or loss to the enquiry at hand.

"From no point of view," continues Professor Patten, "is society more truly organic than in its economic aspect. . . . Economists, however, reject the organic concept of society, and prefer to deduce their economic laws from the theory of utility, and the facts of the objective world." I was not previously aware that the economists had discarded the organic conception, but, accepting competent testimony, am I expected by Professor Patten to substitute this alleged conclusion of the economists for examination of the facts themselves? Did the refusal of geographers and navigators to accept the sphericity of the earth prove that the globe was flat?

The perception implied in "the organic concept" is that there is intimate inter-relation and inter-dependence among the individuals and the groups which constitute society; that these reactions affect not only the industrial activities, but every activity; that the division of labor effected by reciprocal actions makes each element of society an agent performing or hindering a service for other social elements. I have said that the bare assertion of the essential idea in "the organic concept" is a truism. I would not believe without ocular proof that anybody could seriously attempt to argue down this truism. It is either a fact or it is not that all industrial activities, and all other human activities as well, modify and are in turn modified by co-existent domestic institutions and conditions; social traditions, habits and preferences; intellectual poverty, possessions or pursuits; æsthetic standards, tastes, creations; moral codes, superstitions, forms of worship, fears, hopes, beliefs. I dissent most emphatically from Professor Patten's judgment that a simpler expression of this fact of reciprocal modification is contained in his formula "each individual creates his own subjective environment to supplement the objective environment with which he is in contact." The proposition may or may not be adequate and final in its own time and place, but it does not affect "the organic concept" one way or the other. If it were necessary, as a preliminary to social observation, to think of "subjective environments" in reaction against objective environment, rather than of *persons* conditioned by an environment made up of impersonal and personal elements, I should feel myself equal to the task of considering society as a collection of environments in perpetual collision with each other; but after that is done, how is Professor Patten's case strengthened? The primary perception of "the organic concept" is that every man in society leads, in some particulars, a different life, and a different vocational life, from that which would be his lot if any single other kind of man were not in existence. The life of artisan

and artist, priest and player, politician and farmer, author and sailor, is modified by the fact that each of the others has a place and a vocation. Whether this modification is through the medium of a "subjective environment" is a question entirely distinct from and properly subsequent to the statement of fact. Professor Patten might just as well open a controversy over an elementary description of chemical reactions, on the ground that it does not drag in the lecturer's opinions about the vortex theory or the nebular hypothesis.

Professor Patten's illustration of the driver changing the course of his team first on account of a stone in the road, and again to avoid collision with another team, suggests to me a possible explanation of what must otherwise be hypercriticism. Is "the organic concept" understood to connote interpretation of the individual as merely the passive recipient of external impulse? Is it supposed that "the organic concept" makes individual action the mechanical resultant of forces operating from without, and effective in direct ratio of momentum to passive mass? If so, I have simply to say that this is a case of mistaken identity. The "organic concept" is not a snap judgment upon problems in psychology. It is a recognition of obvious appearances, among which problems of psychology emerge. In the supposed case, "the organic concept" as such merely makes note of the fact that the stone and the team are elements of objective condition because of which the action of the driver differs from that which he would have performed had these conditions not existed. The specific interpretation of relations within "the social organism" awaits conclusions upon just such psychic problems as this case presents. Whether the action of the driver is to be explained in one way or another, we do not anticipate that the explanation will get rid of the fact that somehow the stone and the wagon gave the driver occasion to behave in a way which he would not else have chosen. The "organic concept" is the innocent perception that individual or group action is invariably an element or a resultant of a similar reaction in which objective inorganic or organic factors are also elements. This is not an assertion about the process of the reaction, but a statement of the fact of which the process is to be sought. I would be the last to deny that melancholy masses of nonsense about society have been promulgated in terms of organic relationships; but what truth is so clear that it has not been appropriated to the service of error? A policy of social investigation which takes its departure from assault upon this primary concept resembles a campaign for civil service reform begun by making a bogey of the Declaration of Independence.

The second part of Professor Patten's objection, referring to the method of investigating and expounding social relations, has also a



double bearing. It is directed first against Small and Vincent's application of the positive method in particular, and second against the use of biological analogies in general.

On the former subject the criticism asserts: "No better example of the evil results springing from the use of this method can be found than in the work upon which I am commenting. The whole of the second book is given up to a description of the growth of a Western city from its first settlement until the present time. *It is implied that this description illustrates all the various phases of social structure and activity.*"

The first answer to the objection may make further reply superfluous. The fact is the authors introduced the book in question with the explicit statement: "*An attempt to describe a truly typical society is distinctly disclaimed,*" (p. 99). The minute description of a particular town in the process of growth, and its contemporary activities, no more implies an intention to make the description contain what does not appear in the facts, than demonstration of the anatomy of a crab or a toad before a class of beginners in physiology implies the intention of the lecturer to read into the structure of these specimens a complete classification of the animal kingdom. A primary object of such description is to set before students the necessity of knowing accurately some small section of reality, at least, before all related reality can be comprehended.

Professor Patten further urges that "*a false concept of social growth is given by such a picture, and false ideals are inculcated which do immeasurable harm.*" It is certainly venturesome to adduce facts, and describe actualities, when theories are unprepared to assimilate them; but such is the rashness of investigators in this generation that some of them at least prefer the dangers incident to consideration of things as they are to the alternative of speculation. It is doubtless an impertinence for settlements to grow into towns and towns into cities, but that phenomenon is occurring in the world, and in order to know the world as it is, precise knowledge of this phenomenon is among the items of necessary information. It is a sad fact that in this particular town, we have located no conspicuous metaphysical generalizations, but we must protest that this is the fault of the town itself. No such institutions appear on its map or figure in its directory. The fact that they do not play an evident rôle, together with Professor Patten's indictment of the book for describing what does appear, reminds me of an elderly gentleman whom I knew in Berlin several years ago. He had been a life-long student of language. His knowledge of German syntax and pronunciation had been obtained from an American-made grammar. The German spoken in Berlin did not correspond



with the preconceptions which he had brought from America. His time in the German capital was devoted to attempts to persuade every citizen who would listen to him that the Germans did not know how to speak their own language; their formation of sentences was illogical, their idioms were impossible, their pronunciations were exhibits of phonetic decay. If the capital of a Western State is so perverse as not to demonstrate Professor Patten's theories, perhaps it is the duty of Congress to interfere.

The criticism continues:—"The errors of socialism are mainly due to picturing such economic aggregates as though they were true societies, and representing them as exemplifications of the normal tendencies of social progress." Again I must acknowledge my indebtedness to Professor Patten. This location of the chief source of socialistic errors had not previously come to my knowledge; but does Professor Patten mean that science would be advanced by treating actual human communities as though they did not exist, and by pursuing social ratiocinations in serene disregard of realities? The method which Professor Patten condemns is the same method which dialecticians have always rejected. It has nevertheless made its way into authority in one science after another until scholars, with very few exceptions, are convinced that generalizations are of little value unless they are either derived from or authorized by precise knowledge of particulars. The method of carefully examining one social group after another and one civilization after another and of classifying and generalizing results is the only method which can authenticate social philosophy.

As to the second part of Professor Patten's objection to method, I am tempted to indulge, first, in the *tu quoque* form of reply. If biological language has no place in social analysis, it would be interesting to learn how Professor Patten excuses himself for adopting from Professor Ward, and promoting to high rank in his terminology, the phrase "subjective environment," which consistency demands that he repudiate as flagrant miscegenation of psychology and biology!

Not to deal too flippantly with a serious question of methodology; it ought to be enough to repeat the assurances which have been given over and over again that biological analogies, similes, metaphors, or even literal technicalities, are used in sociology for just what they are worth as suggestions, hypotheses, symbols or other tools of investigation. They are used not with the assumption that biology without psychology can establish and complete sociology; but with the belief that the problems of psychology, for the settlement of which sociologists are anxious, cannot at present even be stated, in the clearest form, without the assistance of associations contained in terms which biology has made expressive. We do not care how soon, or how

completely sociology or psychology supersedes biological language. At present no terms are available which send us out upon so many searches for precise social facts as the terms which have been filled with meaning by the biologists. The sociologists hope and believe that persistent positive investigation of social facts will create a language of sociology which will be appropriate and unequivocal. At present, as sociologists have acknowledged time and time again, we are getting from biology aid similar in kind, but immeasurably superior in amount, to that which the early biologists derived from superficial social observation, and from conventional social concepts. Thus when Milne-Edwards formulated the principle of physiological division of labor, in 1827, he wrote: "*Tout animal est une société coopérative.*"\* Lewes has called attention to the fact that Goethe developed the same idea quite perfectly in reference to plants at an earlier date than 1827. Joh. C. Reil wrote in 1795:† "*Der thierische Körper ist gleichsam eine grosse Republik, die aus mehreren Theilen besteht, welche zwar sämmtlich in einem bestimmten Verhältniss gegen einander stehen, und einzeln zur Erhaltung des Ganzen mitwirken.*"

Biology was not pledged by the use of these suggestive analogies to find or invent in animal bodies administrative machinery corresponding to every office and function of a "co-operative society" or a "republic." It did not undertake to find anatomical parts to be named "buying agents," and "treasurers," and "sheriffs" and "election commissioners." No more does sociology attempt to carry out a mechanical analogy on its side, when it learns from developed biology of intimate relations between parts in the animal body, and upon that suggestion recognizes in society an "organism,"—of a low order to be sure, if literal biological criteria be applied, as Professor Ward has lately said—but an aggregate of inter-related parts, the facts and processes of whose inter-relations become, from the impulse of biology, more peremptory subjects of study. Probably even Professor Patten would join me in pronouncing silly and stupid a recent attempt to confound the users of biological clues to social relations, by demanding that they produce the *finger nails* of society!

It is impossible to treat very seriously any criticism of sociology at the points here discussed. I do not feel bound to apologize for the crude attempts of many men in the past to make out social laws by the mechanical application of physiological types and precedents. I am not acquainted with a single responsible student of sociology to-day whose use of biological suggestions in method, is impeachable

\* "Physiology," vol. xiv., p. 266. cf. "*Dictionnaire classique d'histoire naturelle*," t. xii. p. 346.

† *Archiv für Physiologie*, vol. i., p. 105.

by valid logic. So long as there remain uninterpreted relations in society, finical objections to the verbal or symbolic forms in which approximate interpretations are recorded for further examination should be regarded as the off-duty amusement of scholars, and treated as playfully as I have felt bound to deal with portions of the subject matter of Professor Patten's note. Sociology is not biology. Sociology is not a transcription of biological results. Sociology, however, must not only take into account vital facts, it must get all the help possible from vital analogies, or partial analogies, or from contrasts with vital facts. With this understanding it ought to be easy to transfer the debate from truisms to uncertainties. Professor Patten alludes in his note to a score of problems which are well worthy of attention, to the solution of some of which he will undoubtedly make important contributions. That end will not be promoted, however, by needless complication of essential difficulties with misconceptions of obvious and meaning truths. Whatever room there may be for differences of opinion about the metaphysics of human desire, or about the processes of human satisfaction, or about the division of labor among these problems, or about the most appropriate language with which to conduct investigations and report results, attack upon "the organic concept" is an entirely mistaken policy, and we owe it to ourselves to abandon it in favor of more profitable pursuits.

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ALBION W. SMALL.

#### SOCIOLOGY AND THE ABSTRACT SCIENCES. THE ORIGIN OF THE SOCIAL FEELINGS.

Professor Patten's communication on "The Relation of Economics to Sociology," in the ANNALS for January, narrows the main issue between his views and mine to a mere question of what my conception of sociology is and what it is not. He says :

"At any rate, they (the sociologists) must choose between making their science a hypothetical science, dealing with the theory of social forces, and a realistic science dealing with the aggregate phenomena of the social world. Professor Giddings does not recognize this distinction. He defines sociology as an 'attempt to account for the origin, growth, structure and activities of human society by the operation of physical, vital, and psychical causes, working together in a process of evolution.' Here he evidently has in mind a concrete realistic science treating of all the phenomena of human society. On page 18, however, he says that 'sociology may be defined as the science of social elements and first principles.' Here I understand him to refer to the hypothetical science dealing with the social forces."



I can only say that Professor Patten has mistaken my meaning, and that I have never thought of sociology as the abstract or hypothetical science of social forces. Sociology is a concrete science, primarily descriptive and historical, secondarily explanatory. The abstract science of social forces, as Dr. Patten describes them, is not sociology but ethics. When I have defined sociology as the science of social elements and first principles, I have always been speaking of elements and first principles in the phenomenal or concrete sense, not in the sense in which such terms are used in an abstract science. These two kinds of elements and first principles, namely, the concrete and the abstract, are different categories. For example, cohesion and gravitation are elementary phenomena of the concrete physical universe; the laws of chemical combination and of the variation of gravitation with mass and distance, are first principles of concrete physical knowledge. But they are not, by any means, the elements and first principles of the abstract science of physics, which hypothetically goes back of all concrete phenomena whatsoever, and posits such pure abstractions as atoms, centred forces, tensions, motions and laws of motion.

When, consistently with this conception of sociology as a science of social elements and first principles in the concrete, I have called it the "fundamental" social science, I have had in mind its relation to those particular social sciences that are themselves concrete, such as concrete political economy, rather than its relation to any abstract science, such as the pure economics of Dr. Patten's conception. Nevertheless, I have contended in the "Theory of Sociology" that some social phenomena are evolutionally antecedent to most of the phenomena with which a pure economics can concern itself, and this position I have defended, against Dr. Patten's criticism, in my communication in the *ANNALS* for November, 1894. At the same time I have shown that the theories of subjective utility must be presupposed and appealed to in our explanation of the later and more complicated phenomena of a developed society.

This is equivalent to making one part of sociology antecedent to an abstract theory upon which a second part is consequent. Such a scheme would be fatal to the unity of sociology if we accepted a linear or serial classification of the sciences, like Comte's or Spencer's. But it is perfectly consistent with that arrangement of the concrete and the abstract sciences in two distinct series, one perpendicular to the other, which I presented in a paper on "The Relation of Sociology to Other Scientific Studies," published in *The Journal of Social Science* of November, 1894, and explained again in the discussion of sociology and economics at the meeting of the American Economic

Association at New York in December. Arranging the concrete sciences in order along the line  $Oy$  and the abstract sciences along the line  $Ox$ , perpendicular to  $Oy$ , we get their true relations as follows :

	Mathematics	Physics	Economics	Ethics
$O$				
Chemistry				
Astronomy				
Geology				
Biology	$p$		$q$	$t$
Psychology	$s$		$s'$	$u'$
Sociology	$v$		$v'$	$w$
$y$				

The concrete or  $y$  sciences are descriptive, historical, inductive. The abstract or  $x$  sciences are hypothetical and deductive. The concrete become explanatory only because they are traversed or crossed by the abstract sciences; that is to say, in so far as they get beyond mere description and history they do so by appealing to the hypothetical principles of the "pure" or deductive sciences. On the

other hand, the abstract sciences are not abstractions from nothing. They are abstractions from concrete phenomena. That is to say, they presuppose and take for granted the descriptive and historical matter of the concrete sciences.

Accordingly, the field of the physical sciences is  $O p q r$ . On their descriptive side they are known as chemistry, astronomy, geology and biology, according to their concrete subject-matter. On their explanatory side all are mathematical and physical. The fields of psychology and sociology are  $p s u t$  and  $s v w u$ . On their descriptive side they presuppose the concrete physical sciences. On their explanatory side they are mathematical, physical, economical and ethical; every one of the abstract sciences contributes principles of interpretation to concrete psychology and to concrete sociology.

Historically, too, the concrete sciences are older than the abstract. The abstract have been derived from the concrete.  $O x$  has rotated from  $O y$ . Thus, mathematics and physics have been derived by abstraction from the concrete natural sciences. Pure economics and abstract ethics have been derived from the concrete psychical and social sciences; economics, for example, from concrete political economy.

It will be observed that the names of all the concrete sciences end in  $y$ , and those of all the abstract sciences in  $cs$ . This is neither a result of conscious agreement nor a mere accident. It is a consequence of those subtle associations of ideas that so often influence us without our being aware of the process at the time. Another curious fact, to which Professor Hadley has called my attention, is that we have in names no longer used, or disappearing, a record of the transition stage in which the differentiation of the abstract sciences from the concrete was taking place. Thus physics was natural philosophy; biology was natural history; economics was political economy; ethics was moral philosophy.

If the foregoing scheme of classification is scientifically valid, I have been entirely right and self-consistent in claiming that the theories of pure economics presuppose some portions of descriptive sociology, while the explanatory portions of sociology assume and appeal to the theories of pure economics. Referring to the figure, the reader will observe a section of the field of sociology  $s' v' w' u'$  which is also a portion of the field of pure economics. From the concrete studies of this section have been derived our abstract economic theories. Such theories being formulated, we can go on to the profitable study of a further section of the sociological field, namely, the ethical,  $u' w' v u$ .

The second question upon which Dr. Patten and I have disagreed is whether a consciousness of marginal utility is created by social



relations or is antecedent to any social relation whatsoever, even the earliest or simplest.

My comments on the further contributions that Dr. Patten has made to the discussion of this question must be brief, but I do not want to leave the subject without putting on record my dissent from his assumptions and conclusions. The whole issue turns on the meaning of the words "social" and "association." Dr. Patten is mistaken in thinking that I would call the hostile contact of a beast and its prey "association," or regard creatures of different species as parts of one society, or group such phenomena together with the bonds that unite the mother to her child; and it is this misapprehension which leads him to say that my thought would give to the words "social" and "association" "a new meaning opposed to all usage," and so "confuse two concepts which must be kept distinct."

I have never thought or spoken of mere physical contact, hostile or friendly, as constituting association or a society. It is association *if and only if accompanied by a consciousness on the part of each of the creatures implicated that the creatures with which it comes in contact are like itself*. This consciousness of kind is the elementary, the generic social fact; it is sympathy, fellow feeling in the literal as distinguished from the popular sense of the word. When this consciousness exists imitation follows necessarily (as I shall show further on) as a mere matter of feeling, or even of reflex action, and long before it is accompanied by reflection. I claim then that the contact or grouping of creatures of the same kind, *e. g.*, amoebæ with amoebæ, bees with bees, blackbirds with blackbirds, prairie dogs with prairie dogs, horses with horses, and so on, when accompanied by a consciousness of their identity in kind, and by imitative actions, constitutes "association" and the beginnings of society. Does Dr. Patten admit this claim or does he deny it? I wish that he had told us just what he means by a "social instinct." I believe that all social instincts, social feelings of every description, have their beginnings in the feeling of identity of kind in creatures of the same species.

If Dr. Patten admits this the further question is, Does the feeling of identity of kind precede, and through helpful imitation make possible, "an intense consciousness of initial utility," and a discrimination of initial from marginal utility? I think that it does, and I do not see that Dr. Patten has shown that it does not, or that he has answered the question that I put to him in my communication of November.

It will be remembered that in his criticism of my "Theory of Sociology" he argued that for a long period in the evolution of animal life "an intense consciousness of initial utility" makes society impossible, and that only when an animal has learned that marginal

utility is less than initial utility, will it allow a fellow animal to share a food supply which is ample for both, and so enter into social relations. In reply I asked how it comes to pass that in the absence of association, an isolated individual, which is "too intensely conscious of initial utility to perceive any lesser degrees, presently becomes aware of marginal utility and concludes to be sociable?" This question Dr. Patten has not answered. He has substituted for it one as different as possible, as follows: "But, it is asked, how do these hostile individuals, conscious only of their own wants and of the differences in the quality of goods, become aware of the presence of other conscious beings and conclude to become social?"

Dr. Patten's answer to this substituted question of his own asking is that strong animals drive the weak into poor environments, where they "must resort to new means 'to secure food or perish.' They find this means in co-operation, and thus new relations grow up between them that are absent from the stronger animals which occupy the better localities where individual exertion can secure the needed food. Social bonds at first arise not among the victors, but among the vanquished. They are the means by which the vanquished outwit their conquerors."

All this may be perfectly true. The process described has doubtless been repeated, not thousands but millions of times in the evolution of life. But, according to Dr. Patten's former argument, the vanquished are not social when they are driven out of the good environment. They cannot be social, he has told us, until they learn the difference between initial and marginal utility. Until then they must fight among themselves. I therefore repeat my former question: How do these unfortunate creatures acquire that knowledge of the difference between initial and marginal utility which, according to Dr. Patten, is the necessary antecedent to sociability?

Will he answer that in the mere passing from plenty to scarcity the distinction is discovered? Of course not. The difference between initial and marginal utility is less in fact, and is less easily perceived when food is scarce than when it is plenty. Will he then say that the knowledge is acquired when his vanquished creatures, in their poor environment, with its limited supply of food, learn, through repeated struggles among themselves, that while an initial portion of food is worth fighting to the death for, a marginal portion is not? That is exactly what I have described as one of the ways (though not the only way) in which the difference between initial and marginal utility is learned. Is Dr. Patten trying to disprove my conclusion by taking it as the premise of his argument against it?

The issue then narrows down to this: Is a consciously hostile conflict

for food, among creatures of like kind (a conflict so consciously carried on that it can result in the discrimination of degrees of utility) antecedent to a consciousness of identity or likeness of kind and its accompanying phenomena of imitation; or is the recognition of kind the earlier and more elementary phenomenon? This question goes to the very root of the subject. Upon it must divide those who hold by the doctrine of Hobbes, that rampant individualism and remorseless conflict preceded all society and all social instincts, from those who believe that the germs, at least, of fellow feeling, of social instinct, and of association, are as old, and evolutionally as primitive as the individual, and that from the first they have contributed to the psychic development of the individual.

The illustrations and examples that Dr. Patten has drawn from animal life do not seem to me to throw any light on this inquiry. They are all taken from too-advanced types, or the phenomena cited are not in point. The young cobra, for instance, may pay no more attention to the mother cobra than to a log, but no observer who has "seen snakes" of the real world, out of doors and by daylight, has ever imagined that a cobra does not, in fact, know the difference between another cobra and a log. If Dr. Patten will turn to such a work as Dr. Joseph Leidy's "Fresh Water Rhizopods of North America," and study there the structure and habits of the lowest known forms of animal life, he will find material that is more relevant to the issue.

Through the study of such material I believe I have discovered the answer to the question: How and when does the conscious recognition of a fellow-creature, as of like kind with one's self, arise? The subject is properly one for a psychological journal, and I had intended to present it through such a medium, but this discussion would be incomplete and inconclusive without a brief statement of it. The lowest creature, a mere bit of structureless sarcode, without stomach, limbs, or organs of sense, has its favorite foods and makes curious selections. It draws into itself a diatom shell containing a living diatom, but knows and refuses an empty shell. It appropriates not only diatoms, desmids, and other forms of vegetable food, but also such animal forms as rotifers, but it does not devour its fellow amoebæ. It shows in many ways that it knows the difference between fellow amoebæ and other objects. How, then, does this knowledge arise?

The explanation, I think, is extremely simple. Conflict does not enter into it. The amoeba projects its body substance in pseudopodia, thrust out in many directions, and, in so doing, assumes endless varieties of form. The pseudopodia grasp and draw in food objects.



Frequently they come in contact with each other. Instantly a double feeling arises; the simultaneous feeling of touching and of being touched. The creature thus learns to associate a certain touch with itself. It knows the "feel" of external contact with its own substance. This feeling it does not associate with nutrition, because, even if one pseudopodium coalesces with another, a body cannot nourish itself by absorbing itself. Accordingly, when, at a subsequent time, it comes in contact with another amoeba, and experiences feelings of touch like those experienced in touching itself, it recognizes the creature as an object like itself, and therefore as not food.

In like manner the earthworm, through doubling and coiling upon itself learns to know the "feel" of its own substance, and to know the difference between fellow creatures of its own kind and all other things; and insects, through the contact of their legs and wings, and particularly of their antennæ, acquire the same knowledge.

Therefore I conclude that the struggle for food does not take the form of a direct conflict between creatures of the same kind as early in the evolutionary process as has been supposed. The earlier, and at all times the more common and important process, is a conflict between unlike forms of life. In the earliest stages of evolution, as now in civilized human societies, the conflict between creatures of the same kind has been in the main indirect, rather than direct, a competition or rivalry rather than a set-to or battle. From the first it has been modified by the recognition of kind and the instinct to avoid one's own kind as food, an instinct which, I think, has been broken down only by starvation.

Nor are the mere recognition of kind by a sentient animal, and the instinct to refuse living creatures of its own species as food, the only consequences of repeated external contacts of one part of its body with other parts. It so learns not only to know its own substance objectively, but to know its own motions by external touch as well as by internal tension. Through the mediation of this knowledge it recognizes as like its own the motions of creatures like itself. Their motions, therefore, become stimulations that set up like tensions in itself and start like motions. This is the beginning, as it is the essence, of imitation. Consequently imitation is older than conflict among creatures of the same kind.

Thus the beginnings of the social feelings and of social actions are as primitive as the beginnings of individual instincts.

FRANKLIN H. GIDDINGS.

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## PERSONAL NOTES.

### AMERICA.

**University of Wyoming.**—Mr. Henry Merz, formerly Professor of Mental and Moral Sciences at the University of Wyoming, was last year appointed to the chair of Political Science. He was born January 31, 1853, at Birrwyl, Switzerland, and obtained his early education in the public and high schools of that country. In 1875, he entered Blackburn University, Carlinville, Ill., from which he graduated in 1881 with the degree of B. S. Four years later he received the degree of A. M. from the same university. From 1876–1883, while a student at Blackburn University, he was also Instructor in Modern Languages. In 1885, he was appointed Principal of the Public School at Lake City, Florida, which position he resigned in 1888 to become Professor of Modern Languages at the University of Wyoming. In 1893, he was appointed to the chair of Mental and Moral Sciences. In addition to his professorship in the university proper, he was in 1891 appointed Principal of the Normal Department, which position he still holds.

Professor Merz has been General Secretary of the Wyoming Academy of Sciences, Arts and Letters since its foundation. In 1887, he founded the *Florida School Journal*, and acted as the editor of that periodical until the following year when he left the State. He founded in 1890 the *Wyoming School Journal*, and for two years was its editor.

### AUSTRIA.

**Czernowitz.**—Dr. Franz Hauke was appointed, 1894, Ordinary Professor of General and Austrian Public Law at the University of Czernowitz. He was born August 28, 1852, at Mauer, near Vienna, and pursued his preparatory education at the gymnasium of the Theresian Academy at Vienna. From 1870 to 1874 he studied law at the University of Vienna where, in 1877, he acquired the degree of Dr. Juris. In 1884 he became privat-docent in the law faculty at Innsbruck. In 1885 he was appointed to deliver lectures on Austrian public and administrative law at the University of Czernowitz where in 1889 he was appointed Extraordinary Professor. He has published:

"*Die Lehre von der Ministerverantwortlichkeit. Eine vergleichende Studie zum österreichischen Staatsrechte.*" Vienna, 1880.

"*Die staatsrechtliche Stellung Wiens.*" Oesterreichische Rundschau. Vienna, 1883.

"*Die Vertretung der Universitäten in den Landtagen. Ein Vorschlag zur Ergänzung der bestehenden Rechte.*" Czernowitz, 1893.

"*Die geschichtlichen Grundlagen des Monarchenrechts. Ein Beitrag zur Bearbeitung des österreichischen Staatsrechts.*" Vienna, 1894.

Vienna.—Dr. Carl Grünberg became Privat-docent for Political Economy at the University of Vienna, August, 1894. He was born at Jokschan in Roumania, February 10, 1861, and was educated at the gymnasium of Czernowitz. From 1881 to 1885 he studied in the legal faculty at Vienna where in 1886 he acquired the degree of Dr. Juris. Since then he has pursued the required legal practice in Vienna where in 1893 he established an independent practice. During this period Dr. Grünberg spent four semesters at the University of Strassburg. In conjunction with Dr. S. Bauer, Dr. H. Hartman and Professor E. Szanto he founded the *Zeitschrift für Social- und Wirthschaftsgeschichte*, but at the close of the second volume retired with Professor Szanto from the editorship. His works include:

A German translation entitled "*Die wirthschaftlichen Grundlagen der herrschenden Gesellschaftsordnung*" (Pp. 290. Freiburg, 1885) of the work of Professor Achille Loria, of Padua, "*I basi economiche della costituzione sociale.*"

"*Die Bauernbefreiung und die Auflösung des gutsherrlich-bäuerlichen Verhältnisses in Böhmen, Mähren und Schlesien.*" 2 vols. Pp. 432 and 497. Leipzig, 1893 and 1894.

"*Jean Meslier, un précurseur oublié du socialisme contemporaine.*" *Revue d'économie politique*. Vol. II. Pp. 277-298. 1888.

"*Francois Boissel, contribution a l'histoire du developpement du socialisme moderne.*" *Ibid.*, Vol. V. Pp. 276-286, 356-383. 1891.

"*Einige Beiträge zur Entwicklungsgeschichte des modernen Socialismus, I. Francois Boissel.*" *Zeitschr. f. d. ges. Staatswissenschaft*. Pp. 207-252. 1891.

"*Die rumänische Agrargesetzgebung im Hinblick auf ihre Reform.*" *Archiv für sociale Gesetzgebung und Statistik*, Vol. II. Pp. 74-106. 1889.

"*La question agraire et les projets de réforme agraire en Roumainie.*" *Revue d'économie politique*, Vol. III. Pp. 161-179, 365-381. 1889.

"*Der Dienstvertrag im Entwurfe eines bürgerlichen Gesetzbuches für das deutsche Reich.*" *Deutsche Worte*. Pp. 24. 1889.

"*Der österreichische Entwurf eines Gesetzes über die Errichtung von Arbeitskammern.*" *Conrad's Jahrbücher*, N. F., Vol. XIX. Pp. 393-492. 1890.



"*Der Entwurf eines Heimstättengesetzes für das deutsche Reich.*" Archiv für sociale Gesetzgebung und Statistik, Vol. IV. Pp. 369-388. 1891.

Further in *Handwörterbuch der Staatswissenschaften* (Conrad, etc.) the articles "*Arbeiterschutzesetzgebung in Rumänien*," "*Bauernbefreiung in Rumänien*," and "*Unfreiheit*."

Dr. Adolf Heinrich Menzel has been appointed (1894) Ordinary Professor of Administrative Law at the University of Vienna. He was born at Reichenberg in Bohemia, July 9, 1857, received his early education at a gymnasium in Prague, 1866-74, where he studied law at the university from 1874 to 1878. Obtaining in 1879 the degree of Dr. Juris at Prague, he pursued the practice of the law at Vienna from 1879 to 1886. In 1882 he became privat-docent of the University of Vienna, and was made Extraordinary Professor in 1890. In addition to contributions to periodicals his works include :

"*Die Schuldübernahme.*" Pp. 56. Vienna, 1884.

"*Das Anfechtungsrecht der Gläubiger nach österreichischem Rechte.*" Pp. 344. Vienna, 1866.

"*Die Arbeiterversicherung nach österreichischem Rechte.*" Pp. 504. Vienna, 1893.

#### FRANCE.

**Paris.**—Professor Claudio Jannet, Professor of Political Economy at the Catholic University of Paris, died at Paris, November 22, 1894. His loss has been keenly felt by his colleagues and especially by the Le Play School of Social Science of which he was an ardent advocate. Professor Jannet was born at Paris, March 26, 1844, and by his studies, attainments and published writings has won a high place in the ranks of French economists, and as M. Passy remarked at the December meeting of the *Société d'économie politique*, was looked upon as a probable Academician at no distant date. M. Jannet made many visits to the United States, especially to Texas and the Southern States, and was well acquainted with our economic and agricultural conditions which he was largely instrumental in making known in France. Among his chief writings are his book on "*Le Capital la speculation, et la finance*," and his exposition of the principles of the Le Play School published in pamphlet form\* and first delivered as a lecture at Geneva.

He published also :

"*Étude sur la loi Voconia, fragment pour servir à l'histoire des institutions juridiques au VI<sup>me</sup> siècle de Rome.*" Paris, 1867.

\* "*Quatre écoles d'économie politique.*"

"*Les Resultats du partage forcé des successions en Provence.*" 1871.

"*Les sociétés secrètes.*" 1876.

"*Les États Unis contemporains ; les moeurs, les institutions et les idées depuis la guerre de la sécession.*" 4 edition, 2 vols. 1888.

"*Les institutions sociales et le droit civil de Sparte.*" 2 edition, 1880.

"*Le Crédit populaire et les banques en Italie, du XV<sup>me</sup> au XVI<sup>me</sup> siècle.*" 1885.

"*L' Indifférentisme politique.*" 1883.

"*Le Socialisme d'état et la réforme sociale.*" 1888.

## GERMANY.

**Heidelberg.**—Dr. Carl Kindermann established himself in 1894 as Privat-docent for Political Economy at the University of Heidelberg. He was born August 10, 1860, at Magdeburg, and finished in 1881 his early education at the gymnasium "Zum Kloster unser lieben Frauen" in that city. He then pursued studies in law, political economy and philosophy in the years 1881-83, at the universities of Jena, Tübingen, Leipzig and Berlin. At the last named he secured in 1885 the degree of Dr. Juris, and was occupied in the higher judicial service at Magdeburg until 1888. During this period he acquired a practical knowledge of economic life by service in the administration of a large insurance society, and by two visits to England in 1887 and 1888. At the close of the year 1888 he entered the University of Heidelberg where for the purpose of a comprehensive preparation for economics and sociology, he pursued until the spring of 1894 studies in philosophy, political economy and the natural sciences, interrupting his studies for a visit to the United States in 1893. In addition to smaller essays he has published :

"*Nemo pro parte testatus pro parte intestatus decedere potest.*" 1885. (Legal Doctor dissertation.)

"*Zur organischen Gütervertheilung.*" Pp. 160. 1894.

**Munich.**—Professor Julius Lehr, who died October 10, 1894, was Professor of Political Economy in the University of Munich, and belonged to a moderate wing of the mathematical economists. He was born in Schotten (Oberhessen), October 18, 1845, and studied political science in the University of Giessen. In 1868 he began his career as teacher in the Forestry Academy, in Münden, and in 1874 he was called as Professor of Political Economy to the technical high school in Karlsruhe, from which place he went to Munich in 1885.

He was the author of the following books and monographs :

"*Zusammenstellung der wichtigsten Bestimmungen der preussischen Agrargesetzgebung.*" Münden, 1870.

"*Zur forstlichen Unterrichtsfrage.*" Vienna, 1873 (anonymous).

"*Schutzzoll und Freihandel.*" Berlin, 1877.

"*Eisenbahntarifwesen und Eisenbahnmonopol.*" Berlin, 1879.

"*Die neuen deutschen Holzzölle.*" Jena, 1880.

"*Die neuen deutschen Holzzölle und deren Erhöhung.*" Frankfort a. M., 1883.

"*Wirtschaftliche Fragen des Eisenbahnwesens.*" 1885.

"*Beiträge zur Statistik der Preise.*" Frankfort a. M., 1885.

"*Die Berechtigung des Zonentarifs im Personen- und Güterverkehr.*" Munich, 1891.

"*Politische Ökonomie in gedrängter Fassung.*" Munich, 1892.

Besides these books, Professor Lehr contributed many valuable articles to Meyers' *Conversationslexikon* and Conrad's *Handwörterbuch*, and was a prolific writer in economic periodicals.



## BOOK DEPARTMENT.

### REVIEWS.

*Compulsory Insurance in Germany.* Fourth Special Report of the Commissioner of Labor. Prepared under the direction of Carroll D. Wright. By JOHN GRAHAM BROOKS. Pp. 370. Washington, D. C., 1894.

In the summer of 1891 Mr. Brooks undertook a journey to Europe primarily, we understand, with the object of studying institutions of self-help. A year and a half later he returned the author of the best and most exhaustive treatise on state labor and social insurance which has so far appeared in the English language. If this scientific and impartial statement is a criterion of what might also have been expected had his original purpose been consummated, we may hope that another European visit will not be long delayed.

It is true that Mr. Brooks has been very fortunate in having at his command a larger mass of material and more complete and valuable sources of information than would be found available for any other social inquiry. His list of best books in the bibliography includes eighty-seven, but had he chosen to enumerate everything of merit that has been published, the list would probably have been four or five times as large. Still there is such a thing as an *embarras de choix*, and it must have been a somewhat tedious matter to go carefully over so much literature. Besides this, the names of so many prominent officials, professors and investigators of social topics are referred to, that we may be sure Mr. Brooks aimed to collect every well-founded opinion, and to present all views with generous impartiality.

The book before us is primarily a statement of facts. It commences with a chapter upon the origin and development of compulsory insurance which might have been made dreary enough had it been presented in the orthodox German fashion, but which has been made extremely readable, and shows in logical if not in chronological order the relation of state insurance to social democracy, to various forms of primitive insurance in the guilds, and how the practical carrying out of this insurance furnished the foundations for the present scheme. The influence of Lassalle, Karl Marlo, Dr. Schaeffle, who has been called the father of compulsory state insurance, the economic teachings of Wagner, and the emphasis given in Germany to the Christian

and ethical functions of the state, the determination of Bismarck and the late Emperor William to take a positive stand in furthering the social welfare of laborers, are all clearly pointed out. Next follow three chapters in which the laws of compulsory insurance against sickness, against accidents and against old age and invalidity are given textually, and facts relating to organization and administration quoted in full detail. The first of these measures was passed June 15, 1883. It was modified in April, 1892, in order to bring it into harmony with the other insurance laws which had in the meantime been passed. Sick insurance is about to be extended to agricultural laborers and to servants. At present nearly eight millions of persons are insured, and expenditures for sick relief amount to more than \$23,800,000 annually. The purpose of sick insurance is to ensure a certain and sufficient relief in case of illness during at least thirteen weeks. The employee pays two-thirds of the sick insurance and the employer one-third.

Accident insurance is likewise compulsory and universal. The first law was passed July 6, 1884, and dealt chiefly with industrial enterprises. The law of May 28, 1885, extended accident insurance to transportation agencies. A subsequent enactment, bearing the date of March 15, 1886, regulates accident insurance for state officials, military officers and soldiers. A few months later there was a further extension to agriculture and forestry, and it is on the eve of extension to home industry and commerce. Accident insurance is at the cost of employers.

Invalidity and old age insurance law was enacted June 22, 1889, and subjects to compulsory insurance after sixteen years of age all persons working for wages in every branch of trade, apprentices and servants included, managing officials and commercial assistants with regular salaries up to \$476. The old age and invalidity insurance fund is formed by equal contributions from employers and employed, and an imperial subsidy amounting to \$11.90 per annum is granted to every annuity.

The tabular statement on the next page gives salient facts in connection with these three insurance laws.

Four chapters have been dedicated respectively to the attitude of public opinion toward state insurance, the relation of state insurance to wages, to public charity and to feigned illness. Nothing very definite is said on any of these points. Public opinion now very generally favors sickness insurance, regards accident insurance with complacency, but is apparently discontented with the old age and invalidity measure. The law seems to be defective since, according to a reliable private calculation, nearly 40 per cent have failed to meet their legal obligations to contribute. The official statement reduces

SUMMARY OF INSURANCE IN GERMANY IN 1892.

Persons insured, receipts, expenses, etc.	Insurance against		
	Sickness.	Accidents.	Old age and invalidity.
Persons insured, . . . . .	<i>a</i> 7,273,000	<i>b</i> 18,000,000	<i>c</i> 11,200,000
Persons relieved <i>d</i> , . . . . .	2,752,000	210,000	187,800
RECEIPTS:			
Contributions of employers, . . . . .	\$7,378,000.00	\$12,852,000.00	\$11,275,250.00
Contributions of employed, . . . . .	18,445,000.00		11,275,250.00
Total, . . . . .	<i>e</i> 31,416,000.00	<i>e</i> 16,184,000.00	<i>e, f</i> 25,751,600.00
EXPENDITURES:			
Benefits, . . . . .	22,610,000.00	7,735,000.00	<i>f</i> 5,331,200.00
Administration, . . . . .	<i>g</i> 1,475,600.00	<i>g</i> 1,761,200.00	<i>g</i> 1,066,240.00
Total, . . . . .	<i>h</i> 29,512,000.00	<i>h</i> 12,852,000.00	<i>f h</i> 25,751,600.00
Accumulated funds, . . . . .	<i>i</i> 26,180,000.00	<i>i</i> 24,038,000.00	<i>i</i> 38,758,300.00
Benefits per case, . . . . .	8.33	44.03	<i>f</i> 26.56
Charges per person insured, . . . . .	3.332	.714	<i>f</i> 2.142

(a) Persons employed for wages or salary in trade and commerce, partly in agriculture (forestry) and domestic service.

(b) Persons employed in industry and agriculture (forestry), not in commerce, handicrafts and petty trades, including about 4,000,000 small farmers (with areas under 24.71 acres), and as many persons insured in additional or double employments.

(c) Workers of all trades and servants, likewise (industrial and agricultural) official and commercial assistants with regular year's earnings up to \$476.

(d) Persons having received legal assistance in money or in kind (free medical or hospital treatment, medicines, etc.), provided by the workmen's insurance laws for disability caused by sickness, accident, invalidity, or old age.

(e) Including balance on hand at the commencement of the year and interest on investments.

(f) Including State subsidies.

(g) Including the current costs of the whole organization.

(h) Including the year's addition to the funds.

(i) Provided by law in order to secure the payments named.

this to 16 or 17 per cent. In four years' time 60,000 claims have had to be refused, and this furnishes ground for criticism and disappointment. Playing sick under the insurance laws, which was originally conceived to be a formidable obstacle to contend with, is now less considered, possibly because less resorted to, possibly also because better means are found for preventing it. It is very natural that the unworthy classes should hasten to exploit so tempting an opportunity, and thus create an alarming showing during the first few years. There is reason to believe, however, that this was but temporary and that the phenomena will not occur again. What part of the cost of insurance falls ultimately upon industrial profits, upon the wage-earner, or upon the independent consumer cannot be accurately stated. A great deal has been written in support of widely different views.



German industry certainly at the beginning greatly feared the burden, but up to date there are no reliable statistics to show whether such fears have been justified by experience. The financial charges, however, are of considerable account, and indications as to who are paying the bills must some day be made clear. As regards the relation of insurance laws to public charity, Mr. Brooks believes that there are as yet no pertinent facts to prove that the actual burden of charity has been lightened, but he also admits that it would be unjust to the legislation to discredit it for not having produced such results up to date.

Mr. Brooks asserts that certain confident claims which were made by early advocates for compulsory insurance legislation have not only not been fulfilled, but there is scarcely a sign that they will be. Bismark's idea that laborers would be made contented, the hope that certain classes of the insured would more readily go to the country, checking social-democratic propaganda, lightening the charity burden, inculcating habits of thrift, and creating harmonious relations between employers and employed, have none of them to any important extent materialized. These disappointments are of little consequence as compared with indications that results of the widest social advantage are to follow. The influences of organization of the highest social forces on such a magnificent scale are beginning to be felt, and judgment on ultimate effect must be delayed until a sufficient time shall have elapsed to give this profoundly ethical scheme a fair and impartial trial under the favorable conditions which Germany offers. Mr. Brooks believes that no mere material or strictly economic test can be applied to this legislation, and he would therefore rather direct the judgment to essential moral and educational influences which are beginning to be definitely established. Arousing the social conscience of a great nation, and training the national mind to grapple with this grave problem cannot fail to awaken distinctively hopeful influences elsewhere. All industrial countries will now watch in critical expectation, and if, as seems probable, labor and social insurance in some form will make the tour of the civilized world, others will gain wisdom from the pioneer experience of Germany.

E. R. L. GOULD.

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*Die Bauernbefreiung und die Auflösung des gutsherrlich-bäuerlichen Verhältnisses in Böhmen, Mähren und Schlesien.* Von KARL GRÜNBERG. 2 vols. Pp. 432 and 497. Price, 16 marks. Leipzig: Duncker und Humblot, 1894.

German works dealing with the history of civilization have been directed recently with particular interest to the study of those great

social revolutions which, from the middle of the last century to the middle of the present one, have worked themselves out in most countries of continental Europe, especially in Germany and Austria, and which have been designated by the general expression, "the emancipation of the peasants." Knapp's book, "The Emancipation of the Peasants in Prussia" was the pioneer. The present author follows its example in picturing this social revolution in the three Austrian countries (Bohemia, Moravia and Silesia), which have been spoken of latterly as "the lands of the Bohemian crown." Here, as in other European countries, there existed from very remote times the institution of serfdom; that is, the agricultural peasant population was subject to the noble proprietors of the soil, and owed them services or dues in kind (feudal services). The state, as such, in the beginning did not trouble itself about this "subjected" population, the immediate control of which was exercised by the proprietors, who belonged to the nobility. This arrangement was not disadvantageous to the state, so long as the burden of carrying on war rested exclusively on the knights and lords; that is, on the nobles. It was, so to speak, the primitive political economy of nature. The state was defended by an unremunerated, noble proprietor class, and it ceded to them in return the use of the labor of the peasants. When, however, with the changed conditions in the conduct of war from the time of the sixteenth and seventeenth centuries, it came about that the state could rely less and less on the knights, and was compelled to raise and pay its own armies, it was more and more to its interest to protect and uphold that class from which it derived its soldiers and revenue; that is, the peasant class. It was therefore natural that the state had to uphold this class more and more, and that it could not suffer the exploitation of this class at the hands of the lords and knights, who were emancipating themselves from taxation as well as from military service. From these causes originated those political measures which aimed at making the peasant population a free class, protected from the oppression of the nobles. These measures consisted in an interference on the part of the state with the relations between the nobles and peasants, the state's imposing ever contracting limits upon the oppression and on the exploitation of the rural population by the nobility, till finally, in our century, the government accomplished the complete emancipation of the peasants.

This whole development in "the lands of the Bohemian crown" is described by the author in the first volume on the basis of the material derived from the entire collection of the statutes and archives, while in the second volume he lays before us verbatim the material taken from documents. He begins, indeed, with an explanation

of the rural constitution (agrarian constitution) of these countries in the eighteenth century, draws us a true picture of "hereditary subjection," of the position of the land power, of the different "subject classes," and of their obligations to this land power. After he has shown us, in an historical review, the origin of these conditions in the previous centuries (before 1689), he takes up the political reforms which were set in motion at the time of the Empress Maria Theresa, and which consisted in the regulation of the obligations of the serfs. In this effort the Austrian government had to have some hard struggles with the representatives of the nobles, with the so-called "estates," who resented every interference of the government in this matter of the compulsory services as an unjustifiable usurpation. The energy of Emperor Joseph II. did, indeed, succeed in breaking the opposition of the estates, and especially in abolishing serfdom; but after his death a reaction set in, and the old order of things continued in only slightly ameliorated form till 1849. The abolition by compensation of compulsory services and the final "emancipation of the peasants" first came after 1848, as a consequence of the revolution in Austria.

This whole social development in the lands of the Bohemian crown is presented to us by the author on a basis of abundant material, and by this work he has rendered a lasting service, not only to the history of civilization in Austria, but also to the history of civilization in Europe. It is to be hoped that the next subject of the emancipation of the peasants in the other Austrian countries may find an equally thorough and careful investigation. Who will follow the author's example?

LUDWIG GUMFLOWICZ.

[Translated from the German by ELLEN C. SEMPLE.]

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*Ueber die Entwicklung der australischen Eisenbahnpolitik, nebst einer Einleitung über das Problem der Eisenbahnpolitik in Theorie und Praxis.* Von Dr. MORITZ KANDT. Pp. xxxiv and 159. Berlin: Mammoth, 1894.

The history of the railway policy of Australia is of interest to Americans, because, starting under circumstances similar in some respects to those of the United States, that country has adopted a very different policy. The monograph before us is the beginning of a more presumptuous work. This part covers simply the experience of the most important colonies, especially Victoria and New South Wales, down to the time of the establishment of government ownership and operation. Dr. Kandt promises us later a discussion of the workings of



the government system to the present, with special reference to the way in which a competent body of officials was obtained by a democracy.

The Australian settlers were Englishmen who carried with them into new homes English institutions, English law and English *laissez faire* theories as to the proper functions of the state. Yet such has been the force of circumstances that they have moved in the direction of the extension of state functions more rapidly, perhaps, than any other part of the world. A careful, guarded, scientific exposition like the one before us, of the successive steps and struggles by which Australia arrived at her present system of railway operation, cannot fail to be instructive.

The first railway project was brought up in 1846 in the colony of New South Wales. At this time Gladstone was Secretary of State for the Colonies, and a dispatch sent by him to the governor of that colony, in that year, outlines the policy that the English cabinet had been, and was at that time, pursuing in relation to railways, and instructs the governor to follow, so far as possible, the same policy. Briefly stated, the main points of the scheme thus outlined by the eminent English statesman for the young colony were: \* 1. That every law granting to a private company the right to build and run a railroad should be subject to revision and repeal at any time.

2. That in accordance with the principles of the general statutes then in force in England [7 and 8 Victoria, Chap. 85], the colonial government should retain the right to revise the rate of tolls and fix a new scale in cases where, after twenty-one years, the profits shall exceed fifteen per cent on the basis of seven years' business.

3. That the enabling act should contain provisions for the purchase of the road, if it shall be thought fit by the government, after a certain lapse of time and on definite terms.

4. That while numerous regulations may be necessary, they should not be so used as to hamper private enterprise.

But the realization of the hopes implied in this scheme was to be hindered by the weakness of private enterprise. The demand of the railways for land grants moved the British government to further interference. At the time of the adoption of the new constitution of New South Wales in 1842, an act had been passed regulating the acquisition of public land. By the provisions of this act, such land was to be sold at auction at not less than one pound sterling per acre. Despite much discontent with this method of disposing of land, the British government could be induced to make no greater concession than that the companies might acquire land without an auction at the minimum price.

\* The whole dispatch is printed in the *Anhang*.

The first actually incorporated road was chartered in 1846. The important provisions of this charter were in accord with the suggestions of Gladstone's dispatch. The company was obliged to keep their accounts open to public inspection, and the rates could be revised if the dividend exceeded fifteen per cent. After twenty-one years the government had the privilege of purchase of the road at a price equal to twenty-five times the annual earnings on the basis of an average taken from the preceding seven years. In case the government guaranteed the dividends on the stock of the road, it should have a lien on the property of the road. The only clauses of the law not suggested by Gladstone were details such as the provision as to fencing and gates, to keep stray cattle out—a necessity in a stock-raising country.

Other colonies introduced roads about the same time. Some of the regulations adopted by them are of interest in passing. In South Australia it was ordered that the company should allow each shipper to use his own cars and locomotive.

The chief interest, from this time on, centres in Victoria, which began to build roads in 1852. "To write the history of the private roads of Australia," says Dr. Kandt, "is to write the history of failures, since nearly all the private roads which arose on Australian soil led a miserable and short life; and the few which had a longer existence maintained themselves only by the help of extensive support from the state." The author regards the experience of Victoria as typical, and follows it hence through all its course. Unable to obtain land grants, and with weak credit, poor management and small traffic, private roads one after another fell into the hands of the government, to satisfy the claims which arose under the guarantee of interest. Most of the roads were acquired by the government soon after their completion. From 1868-78 there was only one small private road in Victoria. After 1878 the state road system was fully established. Dr. Kandt traces in detail the misfortunes of thirteen roads, and shows the precise grounds for the purchase of them by the state in each case. In conclusion he says, "The difference in conditions in the colonies rendered an imitation of the railway policy of the mother country impossible. Left to themselves and dependent on their own strength, no private roads could prosper in Victoria. Yet even with the support of the government within the bounds of a wise policy which kept the public interest in view, and did not allow railway building to be made the preliminary for land speculation, railway undertakings of great extent were not capable of life. It was not possible, therefore, for the colony of Victoria at that time to create a railway system, following the policy of England, and depending on private companies."

The first step in the direction of a state road system was the purchase of the Melbourne, Mount Alexander, Murray River Railway (running into the gold mining regions) in 1856. The Geelong, Melbourne, and other roads followed soon after. In 1857 came legislation looking to the continuance of railway construction by the government. But the general intention at that time was to lease the roads as soon as possible to private companies. Despite abuses and mismanagement in the government offices for the operation and extension of the roads, the advantages of government ownership and operation became clearer as time went on. So that by 1868 the state road system may be said to have been finally decided upon.

The government entered upon the policy of railroad building on the general principles which had dictated the highway policy of both the colony and the mother country. But the evil experiences with private roads, the difficulties in the way of leasing the roads, the favorable results obtained by state operation, after the initial difficulties had been overcome, the general demand for further railway construction, together with the fostering influence of the general socialistic character of the colony; all this led to the victory of the state railway system as the permanent policy. The main problem from that time on, as Dr. Kandt hints in his announcement of the next part, was how to secure a competent civil service for the roads under a democratic government.

This work was undertaken at the suggestion of Professor Gustav Cohn, of Göttingen, whose work on English railway policy is in a sense supplemented thereby. Dr. Kandt has spent several years in the preliminary investigation at the library of the British Museum, and among the books and records of the Royal Colonial Institute in London. The whole work when completed promises to be of great value.

The book contains a most complete and extremely valuable bibliography on all railway subjects.

CARL C. PLEHN.

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*Der Kampf ums Recht des Stärkeren und seine Entwicklung.* Von HIROYUKI KAT6. Pp. 154. Price, 3 marks. Berlin: Friedländer & Son, 1894.

The author, formerly president of the University of Tokio, investigates the relation of might to right, a question which has been the subject of much controversy in Europe since Bismark's utterance, "Might goes before right." He arrives at the conclusion that all right does certainly spring only from the advantage of the strong in



the conflict with the weak, but that it first attains its *truly just nature* through *mutual concession*, through *compromise* with the weak. Since, however, such an adjustment would be made only in a moment when the powers of the opponents were equal, the "true right" first arises when the forces of the conflicting parties come into such a state of equilibrium; in other words, only when the weaker side is so far reinforced that the stronger is compelled to yield to a compromise. "Therefore," he says (p. 125), "not yet between the two sexes does there exist that entirely fair, noble, and worthy right which can only be the fruit of the conflict and adjustment of the claims (powers) of two equally strong parties." The author clearly shows the tendency to modify the proposition that might is the source and fountain-head of all right, to mean that right first develops to a "perfect right" when it secures *acknowledgment* at the hands of the originally weaker side.

In applying this theory to politics, he suggests the establishment of a "universal state," into which the *civilized* peoples of Europe, America and Asia (Japan and China) shall unite. In this "universal state," the "uncivilized" races should take a subordinate and not a free position; for "the civilized peoples must be the possessors and rulers of the whole earth." These views of the author give ample proof of his somewhat idealistic standpoint. I think that, from a realistic standpoint, one is compelled to dispute the possibility of a "universal state," within a calculable time, although it be but a federation of all "civilized peoples." For civilized peoples, too, are less likely to follow ideal than material interests, and the latter will not permit within a conceivable time the necessity of war to disappear even among the civilized. If the author had had the privilege of experiencing the war between Japan and China, he would perhaps have changed his views; he would perhaps have discovered that even between "civilized peoples" there are questions of might, and indeed thoroughly brutal, material questions of might, which cannot be answered otherwise than by war and desolation. In view of such gloomy necessities, every thought of a "universal state," consisting of the civilized peoples, is a dream of the idealist. However, this book by the Japanese scholar is at all events well worth reading because it is very stimulating.

LUDWIG GUMFLOWICZ.

[Translated from the German by ELLEN C. SEMPLE.]

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*Labour and the Popular Welfare.* By W. H. MALLOCH. Pp. xi and 336. Price, \$2.00. London: Adam and Charles Black.

The object of this work "is to point out to the great body of the  
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people—that is to say, to the multitude of average men and women, whose incomes consist of the wages of ordinary labor—the conditions which determine the possibility of these incomes being increased, and so to enable them to distinguish the true means from the false, which they may themselves adopt with a view to obtaining this result" (p. 315). To accomplish the purpose thus cumbrously outlined, Mr. Malloch has divided his work into four books, which bear the following titles: (1) The divisible wealth of the United Kingdom; (2) the chief factor in the production of the national income; (3) an exposure of the confusion implied in socialistic thought as to the main agent in modern production; and (4) the reasonable hopes of labor—their magnitude and their basis. As these titles suggest, the book is more than a mere discussion of the share labor contributes to human welfare. It includes tolerably complete theories of production and distribution, a polemic against socialism and socialistic ideas generally, and, finally, a social forecast, which is, at the same time, the moral of the story. Mr. Malloch's thesis, or, as an editorial writer in the *New York Nation* has it, "discovery," is that, "whilst the immense majority of the population of this country [Great Britain] produce little more than one-third of the income, a body of men who are comparatively a mere handful actually produce little less than two-thirds of it." The "immense majority" referred to are laborers who earn less than £150 a year, while the "mere handful" are the men of "ability" who earn more than this sum. The £150 is, of course, used more as an illustration than as a statement of the exact facts. The thesis is demonstrated by the following line of reasoning. To clear the ground, it is shown that a per capita distribution of the present national income would not change for the better, to any extent, the condition of the bulk of the laboring population. The rich would be despoiled to add a very small increment to the incomes of the poor. This claim, as an argument against reformers who propose to remedy social ills by a mere redistribution of social income, is familiar. It rests upon the assumption that such a redistribution of income, and the accompanying change in the character of the wants which will be able to command satisfaction, will not alter the productive power of society. This assumption is, of course, gratuitous. The present money income of society is but a crude measure of the satisfactions and pleasures society enjoys as a result of its industry, and this latter is the real *income* of society, about which we must think in comparing one social state with another social state.

Continuing, Mr. Malloch divides the factors in production into Land, Labor, Capital and Ability. Land, he attempts to show, is a factor of minor importance, because the gross rental of estates in

Great Britain is only one-thirteenth of the national income (p. 254). Capital is not itself productive, but owes its productivity entirely to the "ability" which directs it. Labor is, to be sure, capable of producing goods, but without the directing supervision of "ability" its product would be ridiculously small. This is shown by the fact that, "during the closing years of the last century, the population of Great Britain was about ten millions, and the national income about a hundred and forty million pounds" (p. 244), *i. e.*, the per capita productive power was fourteen pounds per annum. This, he assumes for the sake of argument, was due altogether to labor. "It is obvious that labor did not produce more, for no more was produced; and it is also obvious that if, since that time, it had never been assisted and never controlled by ability, the same amount of labor would produce no more" (p. 245). The present per capita income or productive power is thirty-two pounds (p. 29), or more than twice what it was one hundred years ago. This per capita addition of eighteen pounds, he believes, is to be ascribed altogether to the productive factor, "ability." It would require too much space to point out in detail the weaknesses in his argument. He believes, in the case of land, that rent is an accurate measure of the part it contributes to production, yet he admits that labor is able to encroach upon ability, and obtain more than it produces. May it not also encroach upon land? Is land, in the sense of agricultural land, the only other factor in production besides labor, ability and capital? What about natural forces? Because their contribution to the productive power of society is gratuitous, is no account to be taken of it, and is it to be boldly assumed that what crude labor does not produce must be ascribed to ability? But the capital fault of Mr. Malloch is to talk about labor and ability as if they were quite separate and distinct phenomena. In this industrial world there is no such thing as labor unassociated with ability. Even the roughest farmhand directs his efforts by his intelligence, and what he does differs only in degree from the task performed by the most accomplished railroad manager. And yet there is no objection to treating labor-force and intelligence as two distinct factors in production, and I, for one, agree with Mr. Malloch in regarding this as a desirable mode of classification. The objection arises only when labor-force is assumed to be the only contribution made by the laboring classes to the productive power of society. In other words, to assume that, because labor-force can be said to contribute only a certain amount to the income of society, *laborers* contribute only that amount, is as absurd as the other tacit assumption of Mr. Malloch that, because the combustible and heat-giving properties of certain forms of matter are familiar to every civilized human being, and can be utilized by each



one at a very slight expense, these properties do not contribute to the welfare of society except in proportion to the expense their utilization necessitates.

And yet, with all its faults of exaggeration and suppression, Mr. Malloch's book contains many suggestive ideas, and shows a mind not debauched by a too reverent study of the standard writers on political economy. There is a freshness about his manner of treating some aspects of the problems of production and distribution that makes even his reckless flinging of statistics palatable. For the rest, the tone of the book is exceedingly conservative, though the author's style is characteristically radical, and the conclusions arrived at for the guidance of the laboring class, to which the book appeals, are at once sympathetic and sound.

HENRY R. SEAGER.

*University of Pennsylvania.*

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*Soziale Kämpfe vor dreihundert Jahren.* Von BRUNO SCHOENLAUBE.  
Leipzig: Duncker und Humblot, 1894.

So long as we still possess no comprehensive economic history, fragments are very welcome. We have a particularly valuable contribution to a future economic history in the present study by Schoenlaube. It leads us into the heart of the struggles which took place in mediæval Nuremberg between masters and journeymen, struggles which present a prelude to the present conflict between the proletariat and employers. The description of the condition of the crafts in Nuremberg is especially of great interest, because there were no guilds in that city and the craftsmen were subordinated to the municipal control, then in the hands of the merchant princes. The author shows us the different stages through which the journeyman-labor movement passed—the period of its early struggles, of its greatest success and of its decline. The town council of Nuremberg opposed the first efforts of the journeyman class to stand on their own feet and, by independent unions, to resist the oppressive economic ascendancy of their masters. Nevertheless, the movement grew stronger and stronger, and in the first half of the sixteenth century it reached its highest development. The journeyman organizations tried to regulate the working day, wages, and the adjustment of labor matters. The public authorities took steps against the movement, at first to no purpose, afterward only with the result that a compromise was effected, according to which the journeyman organizations were tolerated but were placed under a journeyman commission which was ratified by the police and supervised by the Town Council. The author tells in an intensely interesting manner how the social conditions in the

crafts developed under these regulations, till the decay of the trades in general ensued at the time of the decline of Nuremberg in consequence of the effects of the Thirty Years' War.

KARL, DIEHL.

[Translated from the German by ELLEN C. SEMPLÉ.]

*An Introduction to the Study of Society.* By ALBION W. SMALL and GEORGE E. VINCENT. Pp. 384. Price \$1.80. New York and Chicago: American Book Company, 1894.

It is but fair when judging a new book on sociology to recall the circumstances under which at present such a book must be written. The subject is new to science, and confessedly the most difficult with which science can deal. The data are scattered and often almost inaccessible. The literature is tentative and erratic, providing as yet no adequate traditions to give direction to farther study. Social prejudices, deep and far reaching, make society intolerant of frank utterance, and tend to distort the observer's perspective. Last, but not least, a sudden and somewhat unintelligent demand for books in this line creates a scramble to be first in the field to the neglect of care and thoroughness. Such conditions seldom produce good books, never the best.

It is sufficient proof of the inchoate condition of the science that we open such a book first of all with the question, how does it define its subject? What is sociology anyway? Is it the science of pauperism and crime, or the science of socialism, or the science of goody-goodyism, or the science of fundamental social forces, or the science of all social phenomena? The answer to this important question is found in the first of the five "books" into which the work is divided. "The primary function of sociology at present is the correlation of existing knowledge about society. . . . It is quite possible that the division of labor in sociology will eventually become so systematized that the function of sociology will be restricted within more precise limits. At present a miscellaneous responsibility confronts students who regard society philosophically. Such students are in the ranks of all the social sciences. Sociology is enlisting from this number recruits for the special work of organizing social knowledge of all kinds into a body of wisdom available as a basis of deliberate social procedure." Under such a definition the author will hardly find himself straitened for lack either of latitude or elasticity. A farther chapter on the relation of sociology to social reforms contains a number of statements which must be taken as amplifying if not more exactly defining the author's ideas. Such are the following: "Sociology is a protest against quackery;" "it is not a pastime for amateurs;" "it is not a synonym

for socialism ;" "it is not a champion of class interests ;" "it is the ally of any class temporarily at a disadvantage ;" "it is not primarily concerned with the helpless elements of society ;" and, finally, "sociology is the scientific counterpart of characteristic popular convictions." I have preferred to quote at some length the author's definition rather than attempt the difficult task of restatement or interpretation.

Book I closes with a chapter which says that society is an organism and develops the familiar biological analogies.

I hesitate to express my opinion of this book, but a review without criticism is but a poorer table of contents. This first part is not successful. The writer has plainly succumbed to the difficulties and temptations mentioned at the outset. The vast throng of social phenomena over which this broadly defined science claims jurisdiction is not marshaled with the discipline of orderly thought, but harassed with random statements and fragmentary definitions. The writer's conviction that "a miscellaneous responsibility confronts" him in his efforts to "regard society philosophically" is too apparent. There is, farther, altogether too much anxiety as to what people may think about it and what amateurs may do about it ; fears lest the masses should think sociology unsympathetic and the classes should think it revolutionary. Science, like virtue, must be self-forgetting if it would prosper. Too much of an effort to be all things to all men may prevent our being much of anything to anybody. Withal, the style can hardly be called felicitous. The sentences are involved and cumbersome, and there is a suggestion that the author places too great confidence in the scientific value of mere terminology. It is possible that the author is somewhat conscious of these defects, for he adds that "Book I may be omitted by the least mature students," a permission which is perhaps unduly restricted.

Book II describes the development of a Western city, apparently in Kansas, from the advent of the first settler till it has 5000 inhabitants. In contrast with Book I, this is well written. The style is simple, clear and direct, and the treatment systematic. The only question is as to the utility of such a description.

It is styled "The Natural History of a Society," which it is not. While "an attempt to describe a truly typical society is distinctly disclaimed," it purports to be a study in social evolution. It is primarily only a study in colonization. The society of this mushroom city was all made in the East and shipped West in the knock-down, where it is merely put together. This last process no more explains the true origin and development of the society than the putting together of a factory-made building explains the evolution of architecture. If the intention was merely to make a static study, using



this pseudo-development only for purposes of clearer description, the method may perhaps be allowable, though involving dangerous implications. All will admit the importance of cultivating the habit of observation, but even this habit is worth little if combined with erratic or superficial interpretation.

The three remaining books are on Social Anatomy, Social Physiology and Pathology, and Social Psychology, respectively. The last is perhaps the best of the three. Altogether they are but an exhaustive statement of the analogy between the social and the biological organism. It would be hard to demonstrate more effectually the worthlessness of that analogy as constituting the substance of a science of society.\* Whether or not society is an organism is a question that has been widely and idly discussed. So long as the disputants can beg the question either way by the definition which they assume of the word organism, the discussion only diverts attention from the real study of social phenomena to that of their familiar biological counterparts. While freely admitting that society is an organism in some fair use of the term, it cannot be too strongly insisted that a science of society cannot be constructed out of vague biological images. The organism theory is a nuisance if it betrays us into such an attempt. Of what possible use is it to be told that "the country storekeeper is a communicating cell," that "the lookout at sea is an end organ," and that the person who repeats and exaggerates a rumor has "acted as both communicating cell and end organ?" To re-clothe the commonplaces of life with a fantastic terminology borrowed from a different science, and based on somewhat gratuitous analogies, will not make them the less commonplace. It is true that sociology, like geology, begins with commonplaces, but it must not end with them. True science reveals new facts and relations, instead of merely re-naming those already familiar.

I am sorry to pass unfavorable judgment on this book. Never before was a science so welcomed by anticipation, so "seen and greeted from afar." The demand for a text-book suitable for college use is widespread and intense, and even an unsatisfactory contribution will be welcomed by multitudes of earnest students. At such a time criticism will seem ungracious, but it is precisely at such a time that a protest is called for against superficial and misleading methods. In competition with good books a poor book may usually be trusted to go to its own place, but with an eager demand and no competitors, it

\* In view of the great similarity between some of the views here expressed and certain utterances at the recent meeting of the American Economic Association in New York, I may be permitted to say that the review as it now stands was in the hands of the printer at the time of that meeting.

may work the mischief of inducing a popular reaction and deepening existing skepticism. To those who believe that sociology has possibilities greater than those of any other science, and who hope soon to see it accorded a pre-eminent position in all higher institutions of learning, an unfortunate publication at a critical moment cannot but be a matter for regret. The result of this headlong haste to be first is never a science—only a book. There must certainly be a science of sociology, but it will not come in a day, and its advent will be hastened more by the moderation and self-restraint than by the impetuosity of its devotees.

H. H. POWERS.

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*The Philosophy of Teaching.* By ARNOLD TOMPKINS. Pp. xii, 280. Price, 85 cents. Boston: Ginn & Co., 1894.

This is so remarkable a production that it merits serious attention when ordinary works on education deserve no notice. Many valuable contributions are now being made to the solution of the educational problem. Many of these betray, however, the crude stage of thought in which the problem is; they are often choppy; their authors write well on topics but do not develop subjects. Often these works are made up of valuable and interesting parts, but all the parts do not make a consistent whole. In these respects the "Philosophy of Teaching" stands in striking contrast with most of its predecessors; it is a faultless piece of organized knowledge, and on this account alone deserves to be studied by all persons who aspire to systematic thinking. One central movement runs through the whole work and draws the multitude of details into unity.

The introduction discriminates between the science and the philosophy of teaching. This discussion discovers that "the philosophy of teaching as distinguished from the science gives distinct emphasis to the universal element. . . . It is the explanation of the teaching process by means of universal law." The great working value of law and principle in the details of teaching is indicated by the following: "The teacher who is conscious only of the individual process before him is on the lowest plane of unskilled labor; he is the slave of recipes and devices. . . . The highest plane is that in which universal law guides the hand and inspires the heart." The first quotation seems to have been the intellectual ideal that beckoned the author, while the second indicates the motive that inspired him. No book can be written with the sustained vigor of this one unless the author is living under the pressure of some great idea and is moved by some worthy motive.

Logically the analysis of the teaching process follows. In my judgment the equal of this portion of the work has never been written.

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No other writer has ever set forth with equal strength and clearness the organic elements involved in the process of teaching. This section of the work will be a revelation to many old veterans and will make them long for youthful days in which to renew the contest. Two model lessons illustrating the doctrines set forth close this section.

Naturally the next subject is the aim in teaching, for since teaching is shown to be a conscious process it must have an aim. Under this head are developed: Diversity of Aims; Aim found in the Nature of Life; and Unification of Aims. The conclusion reached is that the true aim of teaching must be identical with the true aim of life, and this is the soul's highest and best growth. It is, therefore, rightly insisted that the teacher must be conscious, in teaching the various subjects, what powers of mind and heart are being stimulated. It follows that the next phase of the discussion must concern itself with method in teaching—the process by which the purpose of teaching is realized. The topics under Method are: The Universal Law, with its subordinate points; the Two Organic Phases of the Process, the Two Factors in the Process, the Ultimate Ground of Unity and the Law of Unity; Specific Phases of the Law, with its subordinate topics—Thinking the Individual and Thinking the General; and the Process as a Complex Whole with its sub-points—the Objective Factor, the Subjective Factor, and the Problems Solved by the Law.

The discussion of the above topics presents a striking illustration of how philosophy made concrete may become the handmaid of every teacher however elementary his work. The portion of the work on Thinking the Individual and the General, deserves to be separately printed for use in colleges where students, by trying to master formal logic, fail to become logicians.

Finally, it may be confidently predicted that, since the work is conceived and executed on so high a plane, and since the problems attacked and solved are so vital, the "Philosophy of Teaching" will occupy the very front rank among pedagogical writings.

W. H. MACE.

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*Die Arbeits-verfassung der englischen Kolonien in Nordamerika.*

Von A. SARTORIUS FREIHERRN VON WALTERSHAUSEN. Pp. 232.

Price, 6 marks. Strassburg: Karl J. Trübner, 1894.

It is somewhat strange that the first general study of any considerable period of the economic history of America should come from a German writer. The attention of most of our historians has been directed either to mere narrative history of the country or to constitutional and political studies of especially critical periods. Thus, the whole



field of our economic life has been left unworked. Within the last few years a change has become visible; economic conditions have been more considered in general histories, worthy studies have appeared from time to time of landholding, labor conditions, slavery, or trade in some one section of the country. This essay, however, is broader in its field, and gives a general description of the organization of labor in all the colonies which later became the United States. The sources were found in some two or three German University libraries, and in the British Museum. The mass of printed material which the industry of the author has discovered in these libraries and from which he has drawn his information, indicates the possibilities for American economic history when the contents of our own libraries and manuscript sources come eventually to be utilized in its study.

The work begins with a description of the characteristics of the agriculture and system of landholding of each of the sections of the country. On the requirements of these the organization of labor was based. There was an inveterate tendency of immigrants to rise rapidly into independent small farmers, owning their land. But this tendency was prejudicial to the larger farmers, who would thus find no class from which to draw their laborers. Under these circumstances, it was necessary that forms of labor should be found which would be permanently at the disposal of the employing farmers. Yet the conditions were not such as to make a serf or a cotter class a possibility. The cheap land, the ever attractive frontier, militated against a permanently subordinate agricultural class, while the instinctive realization by the ruling classes of the colonists that they must not make immigration unattractive to the masses of Europe, checked any tendency to praedial slavery. Under the influence of these causes four kinds of servitude came into existence, first, temporary bound service, especially of those who thus repaid their passage money, frequently known as "redemptioners;" second, free service for wages; third, compulsory labor of criminals; and fourth, slavery of African negroes and of the native Indians. All these forms of labor existed in all the colonies though in vastly different proportions. In a series of admirable chapters, Professor von Waltershausen then describes the legal character, the extent, the sources, and peculiarities of each of these forms of organization of labor in the parts of the country where each was most prevalent. In the case of temporary bound servitude, compulsory service of offenders, Indian slavery and negro slavery in New England and the Middle States, the author has found it possible to trace their disappearance or great diminution without passing beyond the limits of the colonial period. The other forms of labor gradually superseded these, each in the part of the country which was appropriate to it.

Of these classes of laborers the Indian slaves are perhaps most generally unfamiliar to us now. It is pointed out that the English settlers, in contrast to the Spanish conquerors of the more southern regions, did not deliberately enslave the natives. On the contrary, the property, the personal liberty and even certain civil rights were acknowledged in the case of friendly Indian tribes, and only after war were they treated according to old traditions of relations with barbarians, and reduced to personal slavery. Every successful war with the Indians, however, created a body of Indian slaves, children born from Indian slave mothers retained the same status and they were frequently bought from friendly tribes of Indians, who had previously enslaved them when captured in their own inter-tribal wars. The prevalence of this form of slavery is proved not only by direct contemporary statements, but by regulative or restrictive acts in every one of the colonies. Nevertheless, it was never of an extent comparable to the dimensions of negro slavery. The Indians, accustomed to an irregular life of hunting and warfare, made but poor servants in agriculture, the native population was everywhere thin, the Indian loved liberty, even to the extent of isolation, as much as the African loved companionship; and the more influential Indian chiefs set themselves strongly against any slave trade. In the eighteenth century many of the Northern States, led by Pennsylvania in 1700, prohibited the importation of Indian slaves, but the abolition of the system came only with that of negro slavery. In the Carolinas it formed an element in the general body of slaves down to the middle of this century, and even still half-breed negroes and Indians are met with frequently.

The African slave trade, the economic position of slavery, legislation on the subject, treatment of slaves by their masters and the abolition of the institution in the Northern and Central States are described with fullness and interest. The clearness and breadth of treatment are probably largely due to Professor von Waltershausen's position as a foreigner, a man of wide knowledge and a student of economic principles as well as of economic history. One can only hope that the same spirit of keen interest, earnest inquiry and dispassionate judgment may be applied by our own students to this and other fields of American Economic History.

E. P. CHEYNEY.

*University of Pennsylvania.*

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*Cartier to Frontenac: Geographical Discovery in the Interior of North America in its Historical Relations, 1534-1700.* With full cartographical illustrations from contemporary sources. By JUSTIN WINSOR. Pp. viii, 366. Price, \$4.00. Boston: Houghton, Mifflin & Co., 1894.

Modern histories are accepting Schleiermacher's dictum that history is written in the air unless geography is made its basis. In a handsome octavo volume which reminds us of his "Christopher Columbus," Mr. Winsor has sketched two centuries of progress in map-making and in the knowledge of the North American interior as reached through the continental waterways of the St. Lawrence and the Mississippi. A novel and effective device in cover decoration reveals at a glance the advance in discovery witnessed by this period. Side by side are placed reproductions of the maps of Sylvanus, 1511, and of Frauguelin, 1684. In the first nothing of the North American continent appears except the coast line of a square gulf to the west of Newfoundland. Before the second map is drawn, the St. Lawrence unfolds itself, the Great Lakes are all disclosed, the narrow portages are crossed, and the eager explorer's canoe is borne on to the southern Gulf. Such is the period of splendid achievement with which this volume deals.

The most valuable feature of the book is the large and well-chosen collection of reproductions of contemporary maps, in which step by step the erratic progress of discovery is reflected. It is to be regretted that, in the heroic reduction which has been necessary to adapt these old maps to the pages of the modern volume, not a few of them have become blurred and indistinct. In these maps and in the narrative nothing is more striking than the persistent expectation that some short waterway was to be found to Cathay. It was this that inspired Cartier's voyages; Champlain cherished the same hope, and La Salle a century later bases his plea for royal patronage on the advantages which would accrue to France from the opening up of a short route to the wealth of the Orient.

In setting forth the progress of discovery Mr. Winsor has been laboriously critical both of sources and of secondary writings. In a book where one page in every three presents a reproduction of some old map requiring critical comments, a sprightly flowing style could hardly be expected. Yet it is often beneath a mass of unessential facts and of superfluous dates that interest is crushed. Mr. Winsor scorns such popular devices as summaries. If the reader would learn what Cartier or Champlain stands for, he must wade.

For character sketching the writer finds little time. We are given curt descriptions of the principal explorers, but in few cases do we get at all acquainted with them. Occasionally some exceptionally important discovery arouses the narrator's enthusiasm, and then for a few pages the explorer lives. With the Recollects and Jesuits as missionaries Mr. Winsor has little concern, and, it may be added, as little sympathy, since most of his references to their work among the Indians are disparaging. The fur trade as a help and as a hindrance



to scientific exploration is interestingly treated, and here and there are scattered incisive comments on the differences between the English and the French as colonizers, and the reasons, both of physical geography and of government policy which brought it about that at the close of the seventeenth century Canada was still a charge to the French crown. Not less interesting is the tracing of the dealings of the French with the Indians, and especially with the Iroquois from the time when Champlain first aroused their enmity.

In "Cartier to Frontenac" with its hundred maps may be traced more satisfactorily than in any other volume the opening up of a great continent to European knowledge. The book does not purport to be a history of the period, nor should it be criticised as such. Yet the reader will feel that the wealth of "historical relations" might have been placed before him with much more interest and impressiveness without in the least impairing the value of the book as a scientific record of geographical discovery.

GEORGE H. HAYNES.

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#### SOME WORKS ON ECONOMIC AND COMMERCIAL GEOGRAPHY.

Economic study is entering an ever-widening field. Not only are new problems in economic theory being discussed, and old theories being given new meanings, but practical economic questions are constantly arising whose intelligent consideration compels the economist to know at least something of chemistry, geology, physical and commercial geography. The data of economics are partly to be drawn from psychology, from the study of man's subjective nature, and partly to be obtained from the sciences which investigate man's external physical environment, the theatre in which man puts forth his activities to secure the things which satisfy human wants.

Such a work as Tarr's "Economic Geology of the United States" is indispensable to the economist.\* It enables the person who possesses an elementary knowledge of geology to obtain an adequate knowledge of the mineral resources of the United States. One-fifth of the book is devoted to giving an outline of that part of geology with which the work as a whole is concerned. The "rock and vein-forming minerals" are named and characterized; the "rocks of the earth's crust" are briefly discussed; after which the "physical geography and geology of the United States" and the "origin of ore deposits" are

\* *Economic Geology of the United States, with Briefer Mention of Foreign Mineral Products.* By RALPH S. TARR, B. S., F. G. S. A., assistant professor of Geology at Cornell University. Pp. xx, 509. Price, \$4.00. London and New York: Macmillan & Co., 1894.

described. Such is the content of Part I. Part II takes up the several metals, iron, gold, platinum, silver, etc., and treats them in a sufficiently non-technical way. The author has kept to the economist's rather than the geologist's point of view. Thus in the case of iron, for instance, Professor Tarr has described the several kinds of ore, told of their mode of occurrence, and given an account of the uses, distribution and production of iron. In Part III the non-metallic mineral products are similarly treated. The appendix is devoted to a full discussion of the literature of economic geology. Teachers of economic and industrial history or of practical economics will find the book of much assistance.

While Professor Tarr's book was going through the press Professor Kemp's valuable work on "The Ore Deposits of the United States" \* appeared. This book covers a narrower field than does Professor Tarr's volume, and presents the subject-matter in a more detailed and technical way. Professor Kemp writes essentially to students of geology and mineralogy. He is primarily concerned with the questions of the origin and formation of metals. Every metal considered is fully analyzed. Part I occupies seventy-five pages of the volume, with an introduction treating of the general geology of ore deposits. The remainder of the book is devoted to a discussion of the deposits of the various ores. The strongest feature of the book is its very complete bibliography. Each chapter is preceded by a list of books, and authorities are constantly referred to in foot-notes.

Non-technical readers will not especially concern themselves with the merits of Professor Kemp's classification of ore deposits. His classification differs from Professor Tarr's. The student of economic affairs will rather consult the book to obtain information concerning the mineral resources of the United States.

Both Professor Tarr and Professor Kemp acknowledge a debt of gratitude to the United States Geological Survey. The annual volume on "Mineral Resources of the United States," † edited by David T. Day, Chief of Division of Mining Statistics and Technology, affords the student of economic geography a rich mine of information. This and the nine annual reports that have preceded it contain a wealth of historical, descriptive and statistical material furnished to the government by such authorities as J. M. Swank, R. E. Preston, Joseph D. Weeks, etc. These volumes are sold by the Geological Survey at

\* *Ore Deposits of the United States*. By JAMES F. KEMP, A. B., M. E., Professor of Geology in the School of Mines, Columbia College. Revised and enlarged. Pp. xviii, 343. Price, \$4.00. New York: The Scientific Publishing Company, 1894.

† *Mineral Resources of the United States, Calendar Year, 1893*. By DAVID T. DAY. Pp. 810. Government Printing Office, Washington, 1894.

the nominal price of fifty cents each, and ought to have a place in the library of every economist.

The increased attention which educational institutions, especially those of Europe, have of late years been giving to the study of commercial geography has led to the publication of several text-books on that subject. English, French and German authors have each brought out works of more or less value. In America only one work has appeared, "A Commercial Geography," by John N. Tilden, and this unfortunately is too elementary for use above the high school. Among the recent works is the "*Manuel de géographie commerciale*," by Victor Deville.\* The book commences with a very brief and elementary discussion of certain facts of physical geography, this being followed by short chapters on commercial routes and navigation companies. These chapters comprise only fifty-four pages of the book. Then follows the study of the commercial geography of the several countries in turn, beginning with France. Although the book is recommended by the *Société de géographie commerciale de Paris*, it falls far short of being an ideal text-book. The work has but few maps, and those given are extremely poor; but what is a more vital matter, the discussion in this, as well as in other commercial geographies, is often little more than a running discussion of commercial and industrial statistics. The ample use of statistical material in the composition of a text-book on commercial geography is proper, but the treatment should have another purpose than the explanation of statistics. Commercial geography should be treated as a study in economics; its text-book should be written by one who knows botany, geology, physical geography and the science of statistics, but nevertheless by one who is also an economist. The author's point of view should always be the economist's; the relationship of his treatise to the general science of economics should always be in mind. Such a book has not yet appeared.

There are, however, many books appearing which the student of commercial geography will find instructive for collateral reading. Such a work is "The Resources of Mexico," by Hubert H. Bancroft,† in which is given an excellent detailed statement of the economic conditions of Mexico. The author declares the President of Mexico to have taken much interest in the book, and to have rendered much

\* *Manuel de géographie commerciale, Étude économique des différentes parties du monde et particulièrement de la France.* Par VICTOR DEVILLE, Professor Agrégé au Lycée Michelet. Tome i, Pp. 418; Tome ii, Pp. 499. Price, 7 fr. Bibliothèque d'Enseignement commerciale dirigée par M. Georges Paulet. Paris: Berger-Levrault & Cie., 1893.

† *Resources and Development of Mexico.* By HUBERT HOWE BANCROFT. Pp. xli, 325. Price, \$4.50. San Francisco: The Bancroft Company, 1894.



assistance in collection of the materials for the work. This has enabled the author to present a complete picture, and it perhaps goes far to explain the roseate hues with which the picture is colored. Like others of Mr. Bancroft's books, it is a product of the co-operative effort of secretaries and assistants. The investigations were directed in this case by Mr. George H. Morrison. The book is not to be criticised unfavorably, however, but is to be recommended to the reader desirous of knowing more of the social life and industrial and commercial conditions of our neighbor republic. The book is well illustrated and contains three good maps.

A more detailed study of a portion of a country is to be found in "The Mountains of California," by John Muir,\* a descriptive work enriched by much botanical and geological material. The book will appeal most strongly to the naturalist, but may also be profitably read by anyone seeking an intimate acquaintance with the physiography of California, in order thereby thoroughly to understand the natural resources of the State.

Among the especially instructive descriptive books is the well-known work on "Holland," by the Italian author, De Amicis,† a new translation of which has recently appeared. The charm of De Amicis' style and the excellence of his descriptions are known to many tourists, but his volumes are more than books of travel for travelers; they are written by one who observes the commercial and industrial life of the people whom he visits, as well as takes account of their art, architecture and social customs. De Amicis has in lesser degree the virtues of Arthur Young and Frederick Law Olmstead. In the work on "Holland" the general economic conditions of the country are quite fully stated. I know of no other book giving one such a vivid picture of Holland. The opening sketch of the country as a whole and the subsequent chapter on Friesland seem especially good, but the entire work will well repay reading. This edition, artistically bound and illustrated, is an example of the excellence at present obtainable in the bookmaking art.

EMORY R. JOHNSON

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NOTES.

THE CLASS of small independent producers—called by the Germans *Handwerker*—has received attention from the historian and economist chiefly as the victims of capitalism, as a class whose field of

\* *The Mountains of California*. By JOHN MUIR. Pp. xiii, 381. Price, \$1.50. New York: The Century Company, 1894.

† *Holland*. By EDMONDO DE AMICIS. Translated from the thirteenth edition of the Italian by Helen Zimmern. Two vols. Pp. 273 and 275. Price, \$5.00. Philadelphia: Porter & Coates, 1894.

operations is constantly narrowing, and whose fate is, perhaps, ultimate extinction. An interesting account of the history, present condition, aspirations and prospects of this still very large class of workers in Germany is given in a monograph entitled "*Das Programm der Handwerker*," *Eine gewerbepolitische Studie*,\* by Hugo Böttger. The analysis made by Herr Böttger indicates that too hasty conclusions have been drawn from the increasing dominance of the large concern in modern industry, and the patent influence of machinery upon the *Handwerker*. He shows that the class is holding its own so far, at least, as numbers are concerned, and that modern industrial processes are changing but not destroying the field for this kind of work. He also chronicles the growth in the class of a strong *esprit du corps* and of strong organizations, and predicts trouble for the German politicians if they do not heed the demands which it makes, and which it is preparing to push with vigor. From a social and political standpoint he regards this class as the bulwark of German patriotism, and as a connecting link between the social extremes which must of necessity be maintained if the existing industrial system is to be preserved.

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THE APPEARANCE OF the delayed second volume of the revised edition of Bryce's "American Commonwealth" † will be most welcome to all persons interested in social and political science. Mr. Bryce easily holds first place among foreign critics of American institutions, and his work on "The American Commonwealth" proved popular and useful to Americans from the first. The book has been considerably enlarged and strengthened by the additions. Besides the increase in volume incident to revision, the work is lengthened by four new chapters. These chapters are as valuable as any that are to be found in the book. One is on "The Tammany Ring," and gives an excellent sketch of the history and workings of that organization. Another deals with "The Home of the Nation," and gives a "rapid survey of the geographical conditions of the United States, and of the influence those conditions have exerted, and may, so far as can be foreseen, continue to exert on the growth of the nation, its political and economical development." It detracts little from this excellent chapter to find a slight misstatement or two. Mexico is said to have ceded us the southwestern part of the United States in 1846. We conquered the territory that year, but Mexico's cession came in 1848. The first Pacific Railroad was completed in 1869, and not in 1867. Likewise, in view

\* Pp. 283. Brunswick: A. Limbach, 1893.

† *The American Commonwealth*. By JAMES BRYCE. Two vols., third edition. Completely revised throughout with additional chapters. Pp. 724 and 900. Price, \$4.00. New York and London: Macmillan & Co, 1895.

of the fact that Michigan is the greatest producer of iron ore, it is a little misleading not to qualify the statement that "the greatest coal and iron districts are in Pennsylvania and Ohio, and along the line of the Alleghenies southwards into Alabama." The other two new chapters are concerning "The South Since the War" and "The Present and Future of the Negro." The publishers would do an excellent service by publishing these two chapters in cheap pamphlet form, and selling them widely among all sections of the United States. No fairer and more suggestive treatment of the Southern question has ever appeared.

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IT IS RARE that a great lawyer is also a great teacher, and probably no man combined these qualities in a larger degree than did the late Theodore W. Dwight, of Columbia College. It is, therefore, fortunate that some of his best work as a teacher was left in such form as to permit of publication by the administrators of his estate. Professor Dwight left an unfinished manuscript of an introduction to the law of contracts, which his administrators have published under the title, "Commentaries on the Law of Persons and Personal Property."<sup>\*</sup> The administrators are to be congratulated on securing Mr. Edward F. Dwight to do the work of editing the manuscript. Mr. E. F. Dwight is the nephew of Professor Dwight, was trained under his uncle's teaching, and has exceptional abilities. The volume bears evidence of careful editing.

The work is primarily intended for students of the law, but students of political science and economics will find parts of the book of excellent service. The first fifth of the volume deals with the sources of common and statute law, and the rights of persons, including the law applying to citizens and aliens. This is all of value to the student of political science. Economists, as well as lawyers, will be interested in the sixty-four pages (350-414) given to the discussion of corporations. The work, as a whole, will serve as a convenient reference book. A little over half the space is devoted to the law of persons; the remainder considers the law of personal property.

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THE FIRST VOLUME of "Translations and Reprints from the Original Sources of European History,"<sup>†</sup> being published by the

<sup>\*</sup> *Commentaries on the Law of Persons and Personal Property*, being an Introduction to the Study of Contracts. By THEODORE W. DWIGHT. Edited by EDWARD F. DWIGHT, of the New York Bar. Pp. lxii, 748. Price, \$6.00. Boston: Little, Brown & Co., 1894.

<sup>†</sup> Cf. *ANNALS*, January, 1895. Page 161.



Department of History of the University of Pennsylvania, has been completed by the recent appearance of Number Six, containing "English Constitutional Documents."\* This pamphlet contains Coronation Oaths from Ethelred II. to Edward II., Charters of Liberties of Henry I. and Henry II., Magna Carta, Confirmation of the Charters, Writs of Inquisition and Recognition, Assize of Clarendon, Typical Cases of Royal Courts, Constitutions of Clarendon, Writs for Parliament and Bill of Rights.

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THE PROBLEM of how to take care of the poor in a great city is difficult under the most favorable circumstances. Since we have come to the full realization of the fact that the only worthy aim of a system of poor relief is the restoration to the ranks of normal manhood and womanhood of those paupers who are capable of such restoration, and the speedy extinction of those who are beyond the possibility of help, the difficulty of the problem has increased. In an old city like Vienna, burdened with a system whose roots go back far into the past, and forming part of a complicated administration system which is also the result of peculiar historical circumstances the problem is doubly difficult. Doctor Rudolf Kobatsch, in a brochure on "*Die Armenpflege in Wien und ihre Reform*," † has carefully analyzed the conditions in which the capital city of Austria finds herself, and has recommended far-reaching reforms. His suggestions will interest students of pauperism.

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THE MASSACHUSETTS "Railroad Commissioners' Report" for the calendar year 1893, is a well-prepared volume. There is a large amount of space given to the street railway companies. The volume is a model of the kind of work and of the class of material that such a report should contain. The map appended is clear and on a large scale.

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WILLOUGHBY's "Public Health and Demography," ‡ is a useful compendium of information upon the subject of hygiene and sanitary science. While containing little that is new it has the merit of being both reliable and abreast of the times.

The main divisions of the book are entitled respectively "Health of the Man," "Health of the House," "Health of the City," and "Health of the People." A supplementary chapter, headed "Demography,"

\* Pp. 33. Price, twenty-five cents. Philadelphia, 1894.

† Pp. 92. Vienna: Manz, 1893.

‡ *Hand-book of Public Health and Demography*. By EDWARD F. WILLOUGHBY, M. D. Pp. 509. Price, \$1.50. London and New York: Macmillan & Co., 1893.

treats of population and vital statistics, pointing out fallacies that are likely to occur in the use of such statistics and giving rules for their correction. Another chapter, on "Meteorology," explains some climatic variations and gives directions for the measurement of temperature, humidity, rainfall, atmospheric pressure and velocity of the wind. The last chapter, entitled "Legislation and Health," is a mere enumeration of the topics covered by the English Public Health Acts, but it serves to call attention to the increasing scope of sanitary laws, and the great number of phases of municipal life that require regulation in the interest of health.

Under "Health of the Man" chief attention is given to dietetics. Numerous tables show the composition and qualities of different foods, in which attention is given to the proportions usually assimilated—a matter of no less importance than the intrinsic nutritive power which alone is indicated by the ordinary tables of chemical composition. Directions are given for the preparation of foods and the detection of adulterations, and, in subsequent pages, the subjects of clothing and personal habits are discussed. "Health of the House" is a treatment of the problems of ventilating, warming, lighting and cleaning the home. The discussion is interspersed with numerous mathematical formulæ and illustrations of modern appliances. The problems of water supply and sewage disposal engross the chapter on "Health of the City," while the chapter on "Health of the People" embraces a classification and description of specific diseases, and a special treatment of the hygiene of the school and workshop.

While the most of the principles expounded are of universal application the value of the work to American readers is somewhat lessened by the exclusively English standpoint which is apparent in every section of the book. That the author is not familiar with American affairs is indicated by the very few references to American experience, in one of which he mentions Memphis, Tenn., as being in a tropical region and formerly ravaged by cholera.

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THERE IS MORE truth in socialism, thinks Professor Ziegler, than the anti-socialists are willing to admit.\* But, on the other hand, many of the remedies which the social democrats would apply to social ills must fail. Ethical discipline is an indispensable complement, he thinks, which is not provided for. Moreover if there were

\* *La Question sociale est une Question morale* (Die soziale Frage eine sittliche Frage), par TH. ZIEGLER, Professor de Philosophie à l'Université de Strasbourg; traduit d'après la quatrième édition allemande par G. PALANTE, Professor de Philosophie au Lycée de Saint-Brieuc. Bibliothèque de philosophie contemporaine. Pp. 172. Price, 2 fr. 50. Paris: Félix Alcan, 1893.

such an ethical training available as he thinks it is our duty to promote, many of the present ills of society could be corrected on the basis of the present social order without recourse to the reorganization which the social democrats proclaim.

The author does not try to study the origin and constitution of ethics; he does not inquire what should be comprised in a code of ethics suitable for modern society. He assumes that the code of Christian ethics is generally accepted, shows how much more might be accomplished through it than has been accomplished, and exhorts men to practice it to the end that social disorders may be eliminated from the body social. "The individual ought not simply to wait in hope. When he inquires within himself what to-morrow shall bring forth, he is not addressing a question to destiny nor is the answer a matter of fatality. The question ought to lead to a self-examination and to the conscientious inquiry: 'what can I do, in the place which I occupy, in the rôle which I am called upon to fill, to assist in the triumph of the social spirit?'"

The author's social philosophy, so far as he unfolds it in this book, is superficial. Now superficiality is not necessarily an evil. To be superficial is, first of all, to be incomplete, to lack thoroughness in a particular way. The evil arises from treating that which is superficial as though it were thorough. The social philosophy of the social democrats is notoriously incomplete in some respects. Yet they treat it as though it were complete and Professor Ziegler does not challenge it further than to add ethics, a new stone, to the superstructure. Again the social philosophy of the opponents of social democracy is not yet thoroughly scientific and complete. One of several imperfections is that it is too exclusively individualistic, and this the author notes. But for the rest he simply shows how ethics, which is a part of the current philosophy, has been neglected. Not only then is his philosophy superficial, being incomplete, but it is misleading because and in so far as its incompleteness is ignored.

Thus the value of a book depends—and of how many books may the same be said—upon the ability of the reader to allow for its shortcomings.

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MR. M. L. MUHLEMAN, United States Deputy Assistant Treasurer in New York, calls attention, in a recent note to the editors, to a mistake in the foot-note on page 102 of the January number, in the paper on "How to Save Bimetallism." The statement is there made that "since the Act of 1890 silver dollars, silver certificates and treasury notes are received for customs." Mr. Muhleman writes that the silver dollars and silver certificates have been so received since 1878, the



so-called Bland-Allison law providing therefor. Mr. Muhleman also says that in the paper on "Money and Bank Credits," the paragraph beginning at the bottom of page 75, of the January number, contains a misleading statement. "The present legal reserve of from 15 per cent to 25 per cent" does not, as one would be led to believe by Mr. Williams, apply to the redemption of notes, but to deposits only. The provision for a bank reserve for notes was abolished by the Act of June 20, 1874, which provided for a 5 per cent redemption fund. Moreover, this fund may be counted as part of the legal reserve to be held against deposits.

## MISCELLANY.

### AMERICAN ECONOMIC ASSOCIATION.

The American Economic Association held its Seventh Annual Meeting at New York City, in the buildings of Columbia College, December 26-29, 1894. The official program, which was carried out with but few modifications, was as follows :

WEDNESDAY, DECEMBER 26—Evening Session, 8 p. m.

- I. Address of Welcome,  
President SETH LOW, Columbia College.
- II. Response by the President of the Association.
- III. President's Annual Address. "The Modern Appeal to Legal Forces in Economic Life,"  
Professor JOHN B. CLARK, Amherst College.

THURSDAY, DECEMBER 27—Morning Session, 10 a. m.

- I. The Chicago Strike,  
Hon. CARROLL D. WRIGHT, Commissioner of Labor.
- II. Paris Labor Exchange,\*  
Dr. SAMUEL M. LINDSAY, University of Pennsylvania.
- III. The Unemployed,  
Professor DAVIS R. DEWEY, Mass. Inst. of Technology.

Afternoon Session, 2.30 p. m.

- I. Population and Capital,  
Professor ARTHUR T. HADLEY, Yale University.
- II. Credit Instruments in Retail Trade,  
Professor DAVID KINLEY, University of Illinois.
- III. Our Trade with the East,  
Hon. WORTHINGTON C. FORD, Chief of Bureau of Statistics.
- IV. The Pope and the Encyclical on Labor,\*  
Mr. JOHN GRAHAM BROOKS, Cambridge, Mass.

5 to 7 p. m.

Reception to the Association by President SETH LOW.

FRIDAY, DECEMBER 28—Morning Session, 10 a. m.

- I. Competition as a Basis of Economic Theory,  
Professor FREDERICK C. HICKS, University of Missouri.

\* Owing to the illness of Dr. Lindsay his paper was not presented. To complete the program Mr. Brooks' paper was changed from the afternoon to the morning session.

- II. The Theory of Public Expenditure,  
Professor HENRY C. ADAMS, University of Michigan.
- III. An Ideally Just Distribution of the Products of Industry,  
Professor THOMAS N. CARVER, Oberlin College.
- IV. Application of Theories of Value to the Question of the Standard  
of Deferred Payments,  
Dr. FRANK FETTER, Cornell University.

Afternoon Session, 3 p. m.

- I. Statistics as an Instrument of Investigation in Sociology,  
Professor RICHMOND MAYO-SMITH, Columbia College.
  - II. The Relation of Sociology to Economics,  
Professor ALBION W. SMALL, University of Chicago.
- Discussion will be participated in by Professor S. N. PATTEN, Professor F. H. GIDDINGS, Professor WALTER F. WILLCOX.

SATURDAY, DECEMBER 29—Morning Session, 10 a. m.

- I. The Historical School ; a Retrospect,  
Professor W. J. ASHLEY, Harvard University.
  - II. The Teaching of Economics in Secondary Schools.
- A general discussion opened by Professor S. N. PATTEN, of the University of Pennsylvania, and participated in by Professor HENRY C. ADAMS, Professor LINDLEY M. KEASBEY, Dr. EDWARD T. DEVINE.

In spite of the severity of the weather the sessions were well attended, not merely by members of the association, but also by outsiders, who were interested in the subjects under discussion. As is shown by the program, the sessions on December 27 were given up to the discussion of practical problems of present interest, while the sessions on December 28 were devoted to a consideration of more theoretical questions. This method of division proved upon the whole very satisfactory and suggests the question whether it would not be an improvement in future to devote each one of the five or six sessions of the meeting to the consideration of some particular problem. In this way the attention of those present might be concentrated on one point and the discussion would be likely to be more fruitful than it has been in the past.

The papers presented were of an unusually high standard of excellence, and those bearing upon theoretical questions showed how thoroughly the ideas and the nomenclature of the so-called newer political economy have permeated the minds of American students. In addition to the events mentioned in the formal program there was held



upon the evening of December 28, a sociological conference to which all of those especially interested in the teaching or study of sociology were invited.\*

Undoubtedly the most important numbers on the program were the two formal discussions touching the relation between sociology and economics, and the teaching of economics in secondary schools. The latter discussion was unfortunate in being set down to follow Professor Ashley's interesting paper, but nevertheless was not without important consequences.

As has always been the case, the social features of the meetings were those which made the gathering of especial value to the members present. The representatives of the faculty of Columbia College were indefatigable in their hospitable efforts to bring the members of the Association together outside of the formal sessions. Lunches and dinners were the order of the day and each one carried away with him from the congress a feeling of gratitude toward his hospitable entertainers. The meeting was voted by nearly all of those in attendance the most successful that the Association has yet held; judged either by the scientific value of the papers or by the number and quality of the members present.

During the meeting the Council of the Association held several sessions. The officers elected for the coming year are the following: President, Professor John B. Clark, Amherst College. Vice-Presidents, President J. H. Canfield, University of Nebraska; Professor A. T. Hadley, Yale University; Professor George W. Knight, University of Ohio. Secretary, Professor J. W. Jenks, Cornell University. Treasurer, Mr. F. B. Hawley, New York. Publication Committee, Professor H. H. Powers, Smith College, chairman; Professor H. C. Adams, University of Michigan; Professor H. W. Farnam, Yale University; Professor W. J. Ashley, Harvard University; Professor Davis R. Dewey, Massachusetts Institute of Technology.

The following were elected members of the Council:

(1) Those whose terms expire in 1897: Professor E. W. Bemis, University of Chicago; Mr. Arthur Yager; Mr. G. B. Newcomb; Professor E. R. A. Seligman, Columbia College; Professor G. W. Knight, University of Ohio; Professor D. R. Dewey, Massachusetts Institute of Technology; Professor J. W. Jenks, Cornell University; Professor W. W. Folwell, University of Minnesota; Mr. T. G. Shearman, New York; Mr. Stuart Wood, Philadelphia; Professor A. T. Hadley, Yale University; Mr. R. R. Bowker; Professor George Gunton, New York; Professor A. W. Small, University of Chicago; Dr. James

\*This conference is treated in the paper on "Terminology and the Sociological Conference," by Professor Powers in the current number of the *ANNALS*.

McLean, New York ; Dr. L. S. Rowe, University of Pennsylvania ; Dr. S. M. Lindsay, University of Pennsylvania ; Dr. D. I. Green, Hartford ; Professor T. N. Carver, Oberlin College ; Mr. John M. Glenn ; Professor Frank Fetter, University of Indiana ; Dr. Victor Rosewater, New York ; Professor J. A. Loos, University of Iowa ; and Hon. Rowland Hazard. (2) Those whose terms expire in 1896 : Mr. H. E. Mills, Vassar College ; Dr. J. H. Hollander, Johns Hopkins University ; Dr. Stephen F. Weston, New York ; and Professor W. M. Daniels, Princeton College. (3) Those whose terms expire in 1895 : Professor C. H. Cooley, University of Michigan ; Dr. H. C. Emery, Bowdoin College ; and Dr. H. R. Seager, University of Pennsylvania.

It was decided to hold the next meeting of the Association west of the Alleghanies, at such place and time as the Executive Council shall appoint. Invitations have been received from Ann Arbor on behalf of the University of Michigan, from Minneapolis on behalf of the University of Minnesota, from St. Louis on behalf of the University of Missouri and Washington University, and from Indianapolis on behalf of the Universities of Indiana and Illinois.

In addition to those who took part in the program, the following members of the Association were present at the meeting\* : Professor John Quincy Adams, University of Pennsylvania ; Mr. H. H. Barber, New York City ; Mr. Charles H. Barrows, Springfield, Mass. ; Professor Edward W. Bemis, University of Chicago ; Mr. A. F. Bentley, Johns Hopkins University ; Professor F. W. Blackmar, Kansas State University ; Mr. R. R. Bowker, New York City ; Mr. Jeffrey R. Brackett, Baltimore ; Mr. Arthur Cassot, New York City ; Mr. George D. Chamberlain, Springfield, Mass. ; Mr. James L. Cowles, Farmington, Conn. ; Mr. F. M. Corse, Columbia College ; Mr. J. W. Crook, Columbia College ; Dr. J. F. Crowell, Columbia College ; Mr. F. S. Crum, Cornell University ; Mr. H. A. Cushing, Columbia College ; Rev. Edward Day, Lenox, Mass. ; Mr. F. S. Edmunds, Cornell University ; Professor Henry Crosby Emery, Bowdoin College ; Professor Henry W. Farnam, Yale University ; Professor W. W. Folwell, University of Minnesota ; Mr. Allen R. Foote, Washington, D. C. ; Rev. N. P. Gilman, Boston, Mass. ; Mr. John M. Glenn, Baltimore, Md. ; Dr. E. R. L. Gould, Johns Hopkins University ; Dr. D. I. Green, Hartford, Conn. ; Mr. Guy Gundaker, Cornell University ; Professor George Gunton, School of Social Economics ; Dr. Ernst L. von Halle, Berlin ; Mr. M. B. Hammond, Columbia College ; Mr. Frank R. Hathaway, New York City ; Mr. F. B. Hawley, New York City ; Mr. John Haynes, Johns Hopkins University ; Hon. Rowland Hazard, Peace Dale, R. I. ; Professor F. C. Hicks, University of Missouri ; Mr.

\* This incomplete list is the only one available for publication.

F. L. Hoffman, Richmond, Va.; Dr. J. H. Hollander, Johns Hopkins University; Professor Edmund J. James, University of Pennsylvania; Professor J. W. Jenks, Cornell University; Dr. Emory R. Johnson, University of Pennsylvania; Professor Isaac A. Loos, Iowa State University; Dr. C. W. Macfarlane, Philadelphia; Mr. J. D. Merriman, Columbia College; Professor Herbert E. Mills, Vassar College; Professor G. B. Newcomb, College of the City of New York; Mr. George A. Plimpton, New York City; Professor H. H. Powers, Smith College; Dr. William Z. Ripley, Massachusetts Institute of Technology; Dr. Victor Rosewater, Omaha, Neb.; Dr. Leo S. Rowe, University of Pennsylvania; Professor J. C. Schwab, Yale University; Dr. H. R. Seager, University of Pennsylvania; Professor E. R. A. Seligman, Columbia College; Dr. Albert Shaw, New York City; Mr. Thomas G. Shearman, New York City; Professor Sidney Sherwood, Johns Hopkins University; Professor F. M. Taylor, University of Michigan; Mr. C. W. Tooke, Columbia College; Professor C. S. Walker, Massachusetts Agricultural College; President Francis A. Walker, Massachusetts Institute of Technology; Professor Lester F. Ward, Smithsonian Institution; Mr. Horace White, New York City, Professor George G. Wilson, Brown University; Professor A. B. Woodford, School of Social Economics.

HENRY R. SEAGER.

#### AMERICAN HISTORICAL ASSOCIATION.

The American Historical Association held its Tenth Annual Meeting in the National Museum and Columbian University at Washington, D. C., December 26-28, 1894, with an attendance of fifty-five members. There were three evening sessions in the large lecture hall at Columbian University, and two morning sessions in the hall of the United States National Museum. Among the papers of political and economic interest were the following, of which only the briefest mention can be made in this report:

Professor George B. Adams, of Yale University, reviewed the series of English events from 1869 to 1870, leading to the idea of imperial federation which was sanctioned in 1875. The Imperial Federation League was organized in 1884. Rossiter Johnson, of New York City, read one of the most suggestive papers on "Turning-points in the American Civil War." His criticisms upon Lee's lack of good strategy at the Battle of Gettysburg were of peculiar interest. Professor Bernard Moses, of the University of California, submitted a paper for publication on the Spanish method of controlling commercial and economic affairs in the South American colonies. There was



a special organization entirely independent of the state government. The system was not altogether unlike that of the East India Company. Dr. W. B. Scaife, of Allegheny City, Pa., presented a valuable paper showing some European modifications of the jury system. Herbert Friedenwald, of Philadelphia, called attention to certain neglected portions of American revolutionary history, and indicated lines of research that might profitably be undertaken in connection with the history of the old Continental Congress.

There were various papers on the history of politics. Professor Wm. A. Dunning, of Columbia College, reviewed the subject of American political philosophy. He called attention to the lack of originality among colonial and revolutionary theorists. Francis Lieber was the first American to make broad and systematic speculations in politics, but even he followed German and English models. Theodore Woolsey followed Lieber, but added a theological bias. Political writing since our Civil War has not shown much independence of thought. John W. Burgess and J. A. Jameson have combined the historical and juristic methods.

Professor Hudson, of the University of Michigan, presented a good institutional study of the office of the German emperor. Professor E. Emerton, of Harvard University, discussed the problem of the origin of the German Imperial Electoral College. He suggested that the German electorate can best be studied through the analogy of the Roman College of Cardinals. Professor A. D. Morse, of Amherst College, read a valuable paper on the "Causes and Consequences of the Party Revolution of 1800." Professor J. H. Robinson, of the University of Pennsylvania, submitted a paper upon the development of the idea of a constitution in France before the Tennis Court Oath of June 20, 1789.

One of the most valuable economic papers was that of Mr. Edward Porritt, an English journalist now resident in Farmington, Conn., who described the origin and development of the labor movement in English national and municipal politics. The labor policy has been formulated since 1889. So far the labor party has principally confined itself in municipal politics to demands for the establishment of municipal workshops; for an eight hours' day for municipal work people; the abolition of the contract system in all public works; remunerative work for the unemployed, and reduction of the salaries of the legal, engineering and clerical staffs in the municipal service; and to attempts to compel school boards and town councils to usurp many of the functions and duties which Parliament has, since 1834, imposed on the boards of guardians for the relief of the poor.

*Johns Hopkins University.*

HERBERT B. ADAMS.

## THE POLITICAL SCIENCE ASSOCIATION OF THE CENTRAL STATES.

Among the numerous holiday meetings of learned societies and gatherings of specialists and educators was a conference held at Chicago of teachers of history, political science, political economy, and sociology. The movement for the conference originated with representatives of some of the Indiana colleges, who conceived the idea that such a conference of teachers of the middle West would be helpful to all, even if it led to nothing beyond the discussions of a few present problems in these fields on the pedagogical side. At their solicitation the instructors in these departments in the University of Chicago, through a committee of their number, issued a call for such a conference to be held at Chicago on January 2-3, and the University of Chicago extended her hospitalities for the occasion. The chief subjects suggested for the consideration of the conference were, "Methods of Teaching" and "Local Fields of Investigation." The call was sent to university and college teachers in the four lines named in the Mississippi valley, as far south as the Ohio and the State of Missouri. The invitation called out a cordial response by letter from many and a common expression of belief that a permanent association of specialists ought to result from the conference. At the conference there were present men from Michigan, Wisconsin, Ohio, Indiana, Illinois, Iowa, Kansas, and Missouri. Two sessions were given mainly to the consideration of methods of teaching. The formal conference on this subject was opened by Professor J. Laurence Laughlin with a paper on "Method in Political Economy." This was followed by a paper on the "Teaching of Political Science," by Professor Jesse Macy, who was chosen as chairman of the conference. In the general discussion the methods of collegiate instruction and the feasibility of secondary instruction in economics and sociology received the greatest attention. While no formal expression of the ideas of the conference as a body on any phase of the subject was registered, the drift of the discussion was on the whole quite against present attempts to introduce these subjects in the "average secondary school" of the Central States.

From the beginning of the conference it was evident that the sentiment was almost unanimous in favor of organizing a new association that would bring together (1) the specialists of the four allied groups of history, politics, sociology, and economics, for the advantage of those in each group both as investigators and as teachers; (2) the workers in these fields in the Central States where on both the scientific and the educational side there are problems to be investigated and worked out that do not so directly interest other sections of the country, and (3) men whom no single existing society ever calls

together where they can meet each other. An organization was accordingly effected on January 3, under the name of the Political Science Association of the Central States. The constitution states the object and purpose of the association to be "the affiliation, for conference and investigation, of specialists in history, political science, economics, and sociology." The organization provides for a vice-president for each of the four fields represented, thus foreshadowing work and conference by sections, as well as in the single body, with each vice-president as chairman of a section. Instructors and specialists in the four fields resident in the Central States are eligible to membership. The matter of the establishment of an official publication has not been settled, but it is hardly probable that any steps will be taken to that end before the next annual meeting.

The association started off with about fifty charter members. The officers for the ensuing year are as follows: President, Jesse Macy, A. M., Iowa College; Vice-Presidents, Sociology, Albion W. Small, Ph. D., University of Chicago; History, Charles H. Haskins, Ph. D., University of Wisconsin; Economics, Henry C. Adams, Ph. D., University of Michigan; Political Science, James A. Woodburn, Ph. D., University of Indiana; Secretary, George W. Knight, Ph. D., Ohio State University; Treasurer, Frank W. Blackmar, Ph. D., University of Kansas. The time and place of the next meeting has not been definitely settled, but it will probably be held at the holiday season of 1895.

GEORGE W. KNIGHT.

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## NOTES ON MUNICIPAL GOVERNMENT.

[This department of the *ANNALS* will endeavor to place before the members of the Academy all items of interest which will serve to indicate the municipal activity of the large cities of Europe and America. Among the contributors are: James W. Pryor, Esq., Secretary City Club, New York City; Sylvester Baxter, Esq., Boston *Herald*, Boston; Samuel B. Capen, Esq., President Municipal League, Boston; Mr. A. L. Crocker, Minneapolis; Victor Rosewater, Ph. D., Omaha *Bee*, Omaha; Professor John Henry Gray, Chairman Committee on Municipal Affairs, Civic Federation, Chicago.]

### AMERICAN CITIES.

**Philadelphia.**—An important question of jurisdiction has recently arisen with regard to the power of Councils over the construction of street railway lines within the city limits. The matter arose in connection with a proposed trolley line within the limits of Fairmount Park. The Park Commission claimed the right to grant the franchise, which was disputed by a number of members of Councils. The City Solicitor, in his opinion on the subject, decided in favor of the City Councils as against the Park Commission. The Pennsylvania Constitution of 1874 provides that no street passenger railways shall be constructed within the limits of any city, borough or township without the consent of its local authorities. In the opinion of the City Solicitor the Fairmount Park Commission is not to be regarded as a "*local authority*" within the meaning of the Constitution; that while it is given certain powers over the territory of the park, it is not a municipal corporation. The "*local authority*" in the city of Philadelphia, within the intent of the Constitution, is the legislative and executive branches of the city government. This does not deprive the Park Commission of the power to construct or license the construction of a passenger railway within the park; it does, however, render necessary the consent of Councils before any such authority be exercised, either by the Commission or any private corporation.

It is interesting to compare the appropriations to various municipal departments in New York and Philadelphia for the year 1895:

	<i>Philadelphia.</i>	<i>New York.</i>
Street Cleaning, . . . . .	\$783,911	\$2,367,390
Police (excl. of electrical appliances) . . . . .	2,413,530	5,717,072
Fire, . . . . .	899,747	2,084,421
Health, . . . . .	196,020	460,680
Education, . . . . .	3,423,139	5,262,423
Parks (maintenance), . . . . .	584,795	1,198,955

The Controller's Report for 1894 shows a very favorable condition of the city's finances. The total disbursements during the year amounted to \$32,390,333.57 of which \$3,795,893.59 represents interest and liquidation of the funded debt. During recent years, and more especially since the city has been living under its new charter, the cost of municipal departments has increased enormously. To give some idea of this increase since consolidation it is only necessary to examine the following table :

	<i>Total Payments.</i>	<i>Cost of Departments.</i>
1855 . . . . .	\$ 4,880,617.42 . . . . .	\$ 3,245,186.90
1860 . . . . .	5,508,704.33 . . . . .	2,682,548.13
1865 . . . . .	10,505,391.90 . . . . .	4,150,296.84
1870 . . . . .	11,492,908.81 . . . . .	5,630,611.88
1875 . . . . .	13,446,451.73 . . . . .	10,105,919.89
1880 . . . . .	14,640,479.54 . . . . .	6,370,578.34
1885 . . . . .	14,298,413.85 . . . . .	8,654,527.78
1887 . . . . .	17,638,304.05 . . . . .	11,961,348.80
1890 . . . . .	22,531,381.05 . . . . .	16,273,676.45
1892 . . . . .	23,061,526.76 . . . . .	17,655,568.28
1894 . . . . .	32,390,333.57 . . . . .	23,853,083.30

One of the most notable features of the report is the great increase in the amounts paid for mandamuses. These arise mainly in connection with street improvements. Councils for instance orders the change of grade of any street. The owners of property injured by such changes bring suit against the city for the amount. In case the appropriations for this purpose are not sufficient to pay such damages the court issues a mandamus, ordering the city treasury to pay such amounts.

An ordinance has recently been introduced into Councils which if passed will effectually check this evil. It provides that where property is taken for public purposes by reason of opening of streets, or changing the lines or grades, the ordinance to authorize it shall be referred to a committee, which committee shall then submit to the Survey Bureau a detailed plan of the property to be taken. Upon the return of the plan from this bureau a sub-committee of five is to be appointed by the committee, whose duty it will be to investigate claims of damages and assess benefits. The report of this committee is then to be referred to a board of three members,—the City Solicitor, the head of the department of public works or of the particular bureau interested, and a third person, familiar with real estate in the vicinity, to be selected by the other two members. The report of this board, which is to be made within one month, is to contain the claims for damages, together with agreements in writing from the property-owners binding them to the price they agreed to accept from the city. The whole matter then goes before Councils, where appropriations for

such damages will be made according to the ordinary legal requirements. During the last few years the payments for such mandamuses have been as follows :

1880 . . . . .	\$ 123,700.82
1885 . . . . .	202,266.77
1887 . . . . .	356,524.87
1888 . . . . .	252,547.50
1889 . . . . .	463,827.74
1890 . . . . .	483,111.83
1892 . . . . .	752,529.35
1893 . . . . .	1,036,427.35
1894 . . . . .	2,555,810.61

**New York City.**—The close of the Lexow investigation in New York City has awakened a desire for similar investigations in other departments of the city government. It does not seem at present that the Legislature is inclined to meet this demand. The Mayor of New York, however, is given very wide powers in the matter of investigating the work of departments. The Consolidation Act gives to him the power to appoint two Commissioners of Accounts, removable at will, whose duty it is to make quarterly examinations of the accounts of the various departments. He may furthermore order special examinations in any department of the city and county government. For this purpose, the Commissioners have the power to compel the attendance of witnesses, to administer oaths and to examine such persons as they may deem necessary. Under this provision, it will be comparatively easy for the Executive to carry the investigations into departments other than the police. Mayor Strong has expressed his intention of exercising this power to its fullest extent.

The comparison of the final estimate of the Board of Estimate and Apportionment for the year 1895 and the Comptroller's reports of previous years illustrate very clearly the complex, and to the average citizen, absolutely unintelligible system of accounting in that city. In this the city officials are not at fault. It has been forced upon them to a very great extent by the State Legislature. The expenditures of the city are divided into two distinct classes: the General Appropriation Account and the Special and Trust accounts. It is the evident purpose of the former to include the general expenses of the city government, that is, the interest and redemption of the city debt and the ordinary expenditures of the various city departments.

When we come to examine the Special and Trust accounts, we find that many of the items therein contained ought, under any rigorous scientific classification, to be placed as a part of the general expenses of the city government. The Legislature, however, has adopted the



policy of passing innumerable special laws, authorizing and directing departments, or, as is generally the case, the City Comptroller, to issue bonds for the payment of certain improvements. These bonds do not always represent such new constructions as would justify the floating of new loans, but are often issued for purposes such as repaving and general street improvement, park improvements and the like.

Another of the many anomalies which the report of the Comptroller brings out very clearly is the independent position, financial and administrative, occupied by at least one of the departments. For instance, the Department of Docks, whose expenditure amounts to two or three millions of dollars annually (for 1892, \$2,950,000) is entirely independent, for its annual appropriation, of the Board of Aldermen or of the Board of Estimate and Apportionment. Instead of defraying the expenses of this department out of the annual tax-levy, an act of the Legislature gives to the Department of Docks the power to defray its expenses out of special dock bonds, which it alone has the power to issue. As a result, the receipts of the department instead of flowing into the general city treasury, go to the treasury of the sinking fund for the redemption of the city debt.

These facts are merely illustrative of the difficulty of developing an orderly and systematic method of accounting, when the State Legislature continually encroaches upon the better judgment of the financial officials of the city. Had New York been left to develop its own financial system, there is not the slightest doubt that the present complicated system of accounts would not for a moment be tolerated, and that it would be possible for the average citizen to obtain at least some general information on the financial operations of his city from the annual reports. At present this is only possible for him who has given special study to the matter, and even then many points remain obscure.

The report on "Receipts" shows the same involved method of accounting. The Comptroller is compelled to make a four-fold division, first, taxes; second, general fund; third, special and trust accounts; and fourth, loans.

To the ordinary observer it would seem that these four divisions would cover the entire income of the city. This, however, is not the case; the hand of the State Legislature is again felt in its disturbing influence on the city's finances. The receipts from a number of important sources of income have been pledged for the payment of the city debt—some for its redemption, others for the payment of interest. These receipts flow into the sinking fund. The most important of the former, that is for the redemption of the city debt, are such items as market rents, amounting to over three hundred thousand dollars annually; dock and slip rents, amounting to nearly two millions; and

railroad franchises, amounting to over one hundred and fifty thousand. As to the latter, viz., the fund for the payment of interest on the city debt, the entire income from the Croton water rents, amounting to nearly three and one-half million dollars, is pledged for the payment of interest on the city loans. In fact, nearly ten millions of dollars, which, under the ordinary system of accounting, would flow into the general city treasury, are thus diverted from their natural channel into the sinking fund.

The report of the Department of Public Parks for 1894 contains some interesting information concerning the remarkable development of the system of parks in New York City. South of the Harlem River there are at present about seventeen parks, of which Central Park, with 840 acres, and Riverside Park, with 178 acres, are the largest. In fact the total area of the seventeen parks is only 1175 acres. North of the Harlem, in the annexed territory of the Twenty-third and Twenty-fourth wards, a number of new parks have been laid out which will soon place New York ahead of all American cities in park area. The ten larger parks in this new district comprise an area of 3863 acres, the largest being Pelham Bay Park with 1756 acres, Van Cortlandt with 1132 acres, and Bronx with 661 acres. One of the most important parks in the system, however, which, it is to be hoped, will soon be ready for use, is the Mulberry Bend Park, authorized by the Act of 1887. The condemnation proceedings for this small park resulted in a damage assessment of one and one-half million dollars. The law, however, only permits an annual expenditure of one million, so that it has been impossible up to the present time to buy the property.

Laws passed in 1894 authorized condemnation proceedings for five additional parks. At the present rate of increase New York will soon be able to meet one of the greatest needs of the congested district below Fourteenth street, viz., a number of small parks and children's playgrounds.

In order to show the magnitude of the operations conducted by the Park Board, it is only necessary to refer to the fact that in addition to the regular appropriation of \$1,177,195 in 1894, seven special laws, passed during the year, authorized the creation of \$2,500,000 special indebtedness for various park improvements. Of this \$1,000,000 was to be expended in various park improvements in order to give employment to the great army of unemployed.

In fact, in examining the total present bonded indebtedness of New York City, we find that of a total gross debt of \$155,000,000 over \$19,000,000 represents the expenditure on park improvements and extensions during the past twenty years. To compare park space in various cities :

	Population (Estimated.) 1893.	Total Area of Parks. Acres.	Population per Acre of Park.
Philadelphia, . . . . .	1,160,000	3175	365.3
New York, . . . . .	1,845,739	5030*	366.9
Paris, . . . . .	2,527,000	4969	508.6
Chicago, . . . . .	1,400,000	2148	651.3
London, . . . . .	4,311,000	6045	711.5
Berlin, . . . . .	1,648,000	1760	936.4

If we were to leave out of account the largest parks in each city the order would be changed, Philadelphia sinking to the bottom of the list with but 527 acres of park space.

*Review of the Reform Movement in New York City.†*

Soon after the Good Government Clubs had held a convention and adopted a platform in June, it became apparent that the popular idea of municipal politics had begun to undergo a great change. The theory that municipal elections and municipal administration should be non-partisan, in the sense that they should be independent of national politics, began to show a new strength among the great body of voters. The fact that the non-partisan idea had emerged from the theoretical stage was soon recognized by the practical politicians.

At a conference of the leaders of the various organizations opposed to Tammany Hall, called by a joint committee of the Good Government Clubs and the German-American Reform Union, it became apparent that politicians recognized the fact that they had to deal with a new force, and that it would not be good politics to oppose non-partisanship. Indeed, from the very beginning of the local campaign municipal reformers were greatly encouraged by the politicians' enforced recognition of the growing vitality of this principle. It is not necessary to enter into the details of the history of the subsequent formation of the Committee of Seventy, and of the successful campaign carried on by that committee with the aid of other organizations.

The most interesting point about the preliminary work done by the Good Government Clubs, is the fact that the theory of non-partisanship was put forward as the central idea about which it was found possible to rally all the forces opposed to Tammany Hall. Such a result would not have been possible two or three years ago; it is very doubtful if it would have been possible one year ago. The obvious fact is that

\* Area of parks belonging to the city. Portion of Pelham Bay Park (1756 acres) outside city limits.

† This review has been furnished by James W. Pryor, Esq., Secretary of the City Reform Club of New York City.



the continual preaching of this principle by those who have been alive to the evils of municipal government throughout the country, has at last begun to have practical effect. This is the point in which the recent success of the reform movement in this city differs from former victories of a similar kind in New York and other cities of the Union. To this extent that success is a notable triumph for those organizations which, in season and out of season, have urged the doctrine of non-partisanship. It is to be hoped that the recognition of a vital principle behind the movement, will result in preserving the fruits of victory as it has never been possible to preserve them when a reform victory in municipal matters has been simply the result of an effort to cure intolerable conditions without the establishing of any aggressive permanent principle. This is decidedly the belief among reformers in New York.

Mayor Strong has begun his administration in a manner to encourage his supporters in the belief that his official acts will be controlled by this central principle. If he adheres to this policy the result will be to establish non-partisanship as a necessary principle not only in the politics of New York City, but also, ultimately, in the politics of all other large cities of the country.

The reform declarations by Mayor Strong, and the directions as to the custody of indictments publicly given by Recorder Goff to the Clerk of the Court of General Sessions on January 7, are perhaps the two most striking specific illustrations yet seen of the new spirit which has been infused into the conduct of public business. After charging the January Grand Jury in the Court of General Sessions, the Recorder explained to the Clerk of the Court that the customary retention by the District Attorney of indictments presented in that court, was entirely irregular. He said: "It is therefore ordered that henceforth each and every indictment entered in this court by the grand jury shall remain in the custody of the clerk of this court, and the clerk of this court shall be held to a strict responsibility and accountability for the possession of such indictments. It is further ordered that the clerk of this court prepare and keep a record of each indictment, which record shall show on its face the progress of such indictment from its finding until its final disposition." The "pigeon-holing" of indictments in the District Attorney's office is an evil with which the people of this city have long been familiar, and which will be cured by the enforcement of the Recorder's order.

The action thus taken by the Mayor and the Recorder illustrates the sufficiency of the statutes for nearly all purposes of local government. The trouble has been much less with the laws than with the administration of them. Given honest and efficient officers, an excellent

municipal government would be secured under the present laws. Nevertheless, certain changes in the statutes are generally demanded by the reform sentiment of the city. The first of these is to give to the Mayor absolute power to remove heads of departments, in place of the power which he now has to remove for cause with the approval of the Governor. A bill\* prepared by the Committee of Seventy, giving each Mayor this absolute power during the first four months of his term, has been introduced in the Legislature.

The Legislature, embracing the Senate elected in 1893, and the newly elected Assembly, convened on January 2. It will be called upon to consider very important questions affecting New York City.

The vote of the people of New York and Brooklyn, in November, was in favor of the consolidation of those two cities, and several towns and villages, with adjacent territory. The Legislature is expected to take action toward giving effect to this expression of the popular wish. The task of preparing a scheme of consolidation and a charter for the resulting municipality is one before which the ablest lawyers stand appalled. It is probable that this task will be assigned to a special commission. In the meantime, the situation created by the vote upon consolidation prevents any general overhauling of the mass of laws relating to New York City. Certain changes, however, will be proposed; and some will undoubtedly be made.

Of those, the most urgent in the popular mind is some radical change in the law relating to the Police Department. This is a case in which we are apt to expect entirely too much from legislation. The evil in the department, as developed by the Lexow Investigating Committee, is not in the law, but in the men who administer the law. Nevertheless, the demand that a single Commissioner should be substituted for the four Commissioners who now govern the department, is general. The City Club is making an inquiry into the administration of the election laws by the police and the Bureau of Elections in the Police Department. The result thus far is to show that in the selection of polling places and of election officers the Commissioners discharge their duties very unsatisfactorily. The City Club has under consideration a bill to separate the Bureau of Elections from the Police Department. Such separation would make it easier to secure legislation placing the department under a single head, as the Legislature would probably insist upon making bi-partisan the head of any branch of the local government which was to control the machinery of elections. It is understood that a bill substituting a single Commissioner for the three Dock Commissioners, has been prepared.

\* Senator Lawson's Bill which has passed Senate and Assembly and now goes to Mayor Strong.

The revised constitution adopted by the people in November, went into effect on January 1. It contains a number of provisions of immediate interest to those who are seeking better government for the cities of the State.

Among these is a comprehensive civil service provision to the effect that "appointments and promotion in the civil service of the State, and of all the civil divisions thereof, including cities and villages, shall be made according to merit and fitness to be ascertained, so far as practicable, by examinations, which, so far as practicable, shall be competitive." The Legislature is required to pass the laws necessary to give effect to this provision; and the policy of the State, expressed hitherto in statutes, is thus declared in a manner which leaves the Legislature no option as to the general application of civil service reform.

The new constitutional requirement that every bill "shall have been printed and upon the desks of the members, in its final form, at least three calendar legislative days prior to its final passage," will give New York relief in helping to prevent such "snap legislation" as the city has suffered from in the past. The separation of municipal from State and national elections, effected by the revised constitution, is a consummation to which municipal reformers in New York have looked forward for years. Hereafter, all elections for municipal officers will fall in odd years, and State and national elections in even years, except that members of the assembly will be elected at every regular annual election. One effect of the provisions of the constitution on this point is to make the term of Mayor Strong three years instead of two.

The classification of cities under the revised constitution and the safeguards established against the passing of hasty legislation affecting single cities, promise some relief from the intolerable annual flood of special statutes relating to the government of cities.

The municipal government of New York is seen to be in a state of transition in its three phases, the constitutional, the statutory, and the administrative. The constitution which went into effect with the present year contains important new provisions affecting the city directly or indirectly. The Legislature now in session will pass important legislation in the nature of amendments to the city's charter. The officers elected by a great non-partisan uprising have assumed office with a determination to bring about many wholesome changes in the municipal administration.

*Civil Service Administration in New York City.\**

The first appearance of any complete summary of the work accomplished by the Civil Service Board of New York City during the first

\* Prepared by Mr. Harry A. Cushing, of Columbia College.



NOTES ON MUNICIPAL GOVERNMENT.

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YEAR.	1884.	1885.	1886.	1887.	1888.	1889.	1890.	1891.	1892.	1893.
1. Number in classified service, . . . . .	..	7355	7271	7240	7219	7037	7098	7105	7625	7527
2. Number taking competitive examinations, . . . . .	177	2246	1740	2247	2039	2683	1692	1490	1945	1595
3. Number passing competitive examinations, . . . . .	135	1990	1479	1733	1451	2116	1249	1026	1582	1383
4. Per cent passing competitive examinations, . . . . .	76	89	85	77	71	79	74	69	81	84
5. Number appointed after passing competitive examinations, . . . . .	..	1148*	1096	1264	1008	1278*	912*	577	604	436
6. Per cent appointed of those passing competitive examinations, . . . . .	..	54*	74	73	69	50*	55*	56	38	32
7. Number taking non-competitive examinations, . . . . .	23	163	187	243	358	456	418	273	338	328
8. Number passing non-competitive examinations, . . . . .	23	153	174	216	340	429	412	260	320	315
9. Per cent passing non-competitive examinations, . . . . .	100	94	93	89	95	94	99	95	95	96
10. Number appointed after non-competitive examinations, . . . . .	..	1148*	120	147	516	1278*	912*	214	288	294
11. Per cent appointed after passing non-competitive examinations, . . . . .	..	54*	69	68	152†	50*	55*	82	90	93
12. Number of laborers not classified under civil service rules, . . . . .	..	1201	3635	2829	4328	4278	3028	3030	3309	4997

\* In 1885, 1889 and 1890 no distinction was preserved between competitive and non-competitive appointments; hence the total number of appointments are indicated.

† An excess of appointments over the number passed in any calendar year is possible from the retention of a name on an eligible list for twelve months.

decade of its existence affords definite and suggestive material on which to enlarge. Putting aside for the present, however, any consideration of the classification and technical detail of the recurring questions of administrative policy, and of the late political proposals of questionably reformatory or even helpful legislation, notice need be taken, in connection with the table, of the relation of the number examined to the number passed, and of the latter to the number appointed. If the percentage of those appointed were based on the number examined, the result would be more striking still, and would show that, especially as to the competitive examinations, the work of the board has certainly had effect. The object of such work is largely one of selection and sifting, and in this case the sifting has been more than nominal. The large percentage, both of those passed and of those appointed after non-competitive examinations, is due almost wholly to the fact that for some positions, as, for instance, attendants on the insane, the nature of the work militates against a large number of applicants, and renders necessary the occasional use of the non-competitive test. The total in the classified service naturally varies but little, when the city's administrative organization is able, without much increase, to meet all ordinary variations of amount of public service. Such variations of demand for service occur mainly in such departments as those of public works and street cleaning, and hence appears a marked fluctuation in the number of the unclassified, consisting largely of day laborers and employes of the lowest grades, many of whom are employed temporarily. The size of this class, however, illustrates the importance of the question as to the advisability and propriety of subjecting all such to civil service rules. The direction of such matters of administration rests largely with the Mayor, and upon him as directly as upon any man depends the extent to which theoretical civil service will be made practical in New York City. The beginnings, as judged by men considered authorities on such matters as well as by others, have been creditable to those who have kept alive such an office under administrations not founded on civil service principles. Such being the case, the officials under a new mayor have an ample opportunity of drawing hard and fast lines without fear from above.

**Boston.**—The Municipal League of Boston has just published its second tract, which contains many important suggestions as to the system of municipal government in Massachusetts.\*

The pamphlet contains the address of the president, Samuel B. Capen, Esq., in which he sums up the immediate ends the League

\*Tract No. 2. Publications of the Municipal League of Boston. Samuel B. Capen, Esq., president.

has in view. The work of organization throughout the wards of the city has been actively prosecuted, so that the central organization is prepared to do very effective work. In addition to exercising control over the various municipal departments, the League is advocating definite action in such questions as the housing of the poor, increased school accommodations, etc.

The constitution of the lower branch of the city legislature is carefully examined. Out of a total of seventy-five members, fifty-nine pay no other than a poll-tax. The League holds that in a city with a total valuation of over nine hundred millions of dollars, this proportion does not mean an adequate representation of property.

There are, furthermore, a number of important recommendations involving amendments to the City Charter. These are:

First. The extension of the term of the Mayor from one to three years.

Second. The abolition of the bi-cameral City Council, and the placing of the legislative work of the city in one representative body.

Third. The establishment of a Board of Estimate and Apportionment, exercising powers similar to the New York Board. Its constitution, however, would be very different, as two of the five members are to be taken from outside the city government, namely, the president of the Board of Trade and of the Chamber of Commerce. Another plan outlines the constitution of this board as follows: the Mayor, the Auditor, the president of the City Council and the two senior members of the Sinking Fund Commission. The functions of this board will be to recommend the annual appropriations for the various city departments to the City Council. The latter is to be given the power of reducing but may not increase the amounts thus recommended.

Fourth. The election of all members of Councils on a general ticket, recognizing the principle of proportional representation.

Fifth. The placing of the departments of the city government under the control of a single head, instead of the commissions as at present.

#### CURRENT BIBLIOGRAPHY.

It is gratifying to announce the appearance of one of the few important books dealing with municipal government. The Century Company has just published Dr. Albert Shaw's treatise on "Municipal Government in Great Britain." \* The ANNALS will have occasion to review this book in detail in a subsequent number.

Dr. Shaw has made liberal use of the articles published from time to time in the *Century Magazine*. The book, however, is essentially

\* "Municipal Government in Great Britain." By ALBERT SHAW. Pp. 385. Price, \$2.00. New York: Century Company, 1895.



a new one. In the nine chapters Dr. Shaw deals with the following questions :

First, The Growth and Problems of Modern Cities. In this chapter the rapid growth of cities in the older countries of Europe is shown to contrast very favorably with the increase in newer countries, especially in the United States. Second, The Rise of British Towns, the Reform Acts, and the Municipal Code. Third, The British System in Operation. In this chapter the municipal franchises and the methods of nomination and election are examined in detail. Fourth, A Study of Glasgow, which contains a most interesting account of the social work which the city has undertaken. Fifth, Manchester's Municipal Activities. As in the preceding chapter, Dr. Shaw lays a special stress on the activity of the city in those fields which we are accustomed to regard as extra-municipal. Sixth, Birmingham, Its Civic Life and Expansion. The author here confines himself more closely to the ordinary municipal functions, giving us, however, much interesting information concerning the artisans' dwellings. Seventh, Social Activities of British Towns. Eighth, The Government of London. Ninth, Metropolitan Tasks and Problems.

In an appendix we are given the reprints of English Municipal Code, the London (Progressive) Platform, and the Report of the Royal Commission of 1894, appointed to recommend a scheme for the complete municipal unity of the old City and County of London.

"The Problem of Police Legislation in New York City." By DORMAN B. EATON. Paper. Pp. 36. New York : G. P. Putnam's Sons. Price, twenty cents. A series of papers originally published in the *New York Times*. Mr. Eaton advocates the "commission" as opposed to the "single-headed" administration of the police department.

"The Meaning of History and Other Historical Pieces." By FREDERIC HARRISON. Pp. 490. New York : Macmillan & Co. Price, \$2.25. Contains several interesting essays on the city--Ancient, Mediæval, Modern and Ideal.

"Suggestions on Government." By S. E. MOFFETT. Pp. 200. Chicago : Rand, McNally & Co. Price, \$1.00. A series of essays on the referendum, proportional representation, etc.

Professor John R. Commons, of Indiana University, has just published an outline of a course of seven lectures on "City Government." These lectures cover the questions of : "Population and the Ballot," "Home Rule for Cities," "Municipal Administration," "Municipal Council," "City Schools," "Temperance and Justice," and, "Expenditure and Revenue." In the course of these seven lectures, Professor Commons touches upon most of the problems of city government, giving very excellent bibliographical references. Of special interest is the second

lecture, in which the relation of the city to the State is carefully examined.

The National Municipal League has published a fourth pamphlet containing the constitution and by-laws of a number of reform associations throughout the country. The following is a list of those included in this publication: Municipal League of Philadelphia, City Club of New York, Citizens' Association of Boston, Baltimore Reform League, Civic Federation of Chicago, Good Government Club of San Francisco, Law Enforcement Society of Brooklyn, and the Civic Club of Philadelphia.

The American Society for the Extension of University Teaching has published the syllabus of a course of six lectures delivered by Dr. Albert A. Bird, Staff Lecturer to the Society, on "The American Citizen." \* Dr. Bird devotes two lectures to the Federal Government, one to political parties and representation, another to election laws, party organization and methods; the fifth to municipal government, and the concluding lecture to our civil service and its reform. In the fifth lecture, Dr. Bird deals with the rise of the problem of municipal government, and the social consequences of the rapid growth of the urban population, the general machinery of city government; the scope of municipal activity; the causes of inefficiency and the suggested remedies for reform.

In the *Quarterly Journal of Economics* for January, 1895, Professor William Smart, of Glasgow, gives an interesting account of the municipal industries of that city. The most successful of these has been the gas works. The city supplies gas, with a candle-power of 21.3 at about sixty-one cents per thousand cubic feet. The policy has been to run the works with little or no profit; in case there is a surplus above running expenses and interest charges, it is used for further improvements or reduction in price. The experience of Glasgow in its effort to improve the sanitary condition of the most congested districts, through the condemnation and purchase by the city of the most unsanitary portions, is reviewed by Professor Smart. Although the financial returns to the city have not as yet been of a kind to justify this wholesale purchase of property, from a purely fiscal standpoint, the reason is to be found in the depressed condition of the real-estate market, rather than in any lack of foresight on the part of the authorities. The city has built on the property which it now owns, seven model lodging houses, and will shortly expend \$500,000 in the construction of model tenements.

In the *Contemporary Review* for January Mr. Sidney Webb reviews

\* Price ten cents. American Society for the Extension of University Teaching, Philadelphia.

the work of the London County Council. During the six years of its existence, the changes effected in administrative organization and methods of work amount to little short of a revolution. Mr. Webb discusses in detail the admirable system of conducting the business of the council. Through the printing of all propositions, resolutions, recommendations of committees and reasons therefor, unnecessary discussion is prevented. Interesting details concerning the work of the committees of the council are given. The greatest achievement has been in the improved sanitary drainage, which has replaced the "Thames pollution" system of former years. Over one thousand acres have been added to the park system of the city in a large number of open spaces; model lodging-houses and improved dwellings constructed by the municipality, are rapidly being opened, educational facilities are being made more varied and accessible to all. In fact, every municipal department has the most gratifying results to show as the result of the new life which the County Council has instilled into London local activity. And all this has been done at a merely nominal increase in the rate of taxation.

The *Engineering Magazine* for February contains two interesting articles, one by Colonel George E. Waring, Jr., the present Commissioner of Street Cleaning of New York City, on "Municipal Cleansing and Public Health," the other by Mr. Dwight A. Jones, on the "Relation of Railways to Municipalities." Colonel Waring discusses the sanitary surroundings of great cities and maintains that their condition is to be tested by "the 'health rate' rather than by the 'death rate.'" There are more deaths in the United States every year from distinctly preventable diseases," he says, "than have been caused by yellow fever and cholera together in all the thirty years since the war." The subject is to be viewed from the standpoint of (1) construction, and (2) administration. Of the two the latter is the more important. Mr. Waring lays stress upon the necessity of active co-operation of the citizens in the work of keeping the streets free from refuse.

The December number of the *Jahrbücher für Nationalökonomie und Statistik*, contains the second of a series of articles by Dr. Willi Verges on "The Origin and Growth of German Cities and Their Government." In the January number A. Wirminghaus publishes the first of a series of articles on the relation of urban to rural population. It is interesting to note that the increase of population in the German Empire has been confined exclusively to cities and towns with a population exceeding 2000. There has been not only a relative, but an absolute diminution of rural population during the period 1870-1890. This is brought out clearly in the following table:

[812]



Year.	Urban Population.	Per Cent.	Rural Population.	Per Cent.	Total.	Annual Increase.
1871 . . . . .	14,790,798	36.1	26,219,352	63.9	41,058,792	.....
1875 . . . . .	16,657,172	39.0	26,070,188	61.0	42,727,360	1.00
1880 . . . . .	18,720,530	41.4	26,513,531	58.6	45,234,061	1.14
1885 . . . . .	20,478,777	43.7	26,376,927	56.3	46,855,704	0.70
1890 . . . . .	23,243,229	47.0	26,185,241	53.0	49,428,470	1.07

Cities with a population of over 100,000 which contained but 4.8 per cent of the total inhabitants in 1871, represented 11.4 per cent in 1890.

The same phenomena is to be found in France, where the urban population (in cities of over 2000) has increased from 8,646,743 in 1846, to 13,766,508 in 1886, whereas the rural population has decreased from 26,753,743 to 24,452,395 during the same period. The same is true of Austria, where the urban population formed less than 20 per cent of the total in 1843, while in 1890 more than one-third reside in cities with a population exceeding 2000. In England the urban population formed but 50 per cent of the total inhabitants in 1850; in 1891 the percentage had increased to 71.7 per cent.

The *Revue Politique et Parlementaire* presents an article on "The Budget of the Ministry of the Interior," by Mr. Joseph Reinach. Mr. Reinach discusses the results of a decentralizing policy as regards local police. With the exception of Paris and Lyons, the control over the local police is given to the local authorities. The author claims that this policy has been detrimental to the efficient administration of police matters. The remedy for the laxity in the administration of this department is the direct administration of the police department by state authorities.

## SOCIOLOGICAL NOTES.

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[The editor of this department is glad to receive notes on all topics of interest to sociologists and persons working along sociological lines in the broadest acceptance of the term. It is not the purpose of these columns to define the boundaries of sociology, but rather to group in one place for the convenience of members of the Academy all available bits of information on this subject that would otherwise be scattered throughout various departments of the ANNALS. The usefulness of this department will naturally depend largely on the measure of co-operation accorded the editor by other members of the Academy.]

Among those who have already indicated their interest and willingness to contribute are such well-known workers along sociological lines as Professor F. H. Giddings (Columbia College), Professor W. F. Willcox (Cornell University), Dr. John Graham Brooks (Cambridge, Mass.), Dr. E. R. Gould (Johns Hopkins University), Mr. John Koren (Boston), Hon. Carroll D. Wright (Washington, D. C.), Professor E. Cheysson (Paris), Mr. Robert D. McGonnigle (Pittsburg, Pa.), President John H. Finley (Knox College), Miss Emily Green Balch (Jamaica Plains, Mass.), Miss M. E. Richmond (Baltimore, Md.), and others.]

**Theory of Sociology.**—*Educational influence of machinery on workmen.* Mr. Alex. E. Outerbridge, Jr., of the machine tool works of Wm. M. Sellers & Co., Philadelphia, recently made, in the course of an address to the students in sociology of the University of Pennsylvania, a strong and vigorous protest against the common belief, to some extent supported by orthodox economic writers, that machinery exerts a bad influence on its operators, tending to make them become less intelligent economic members of society unless these influences are counteracted by other social forces. Mr. Outerbridge's long experience at the head of a large establishment where the most numerous and latest experiments in machinery are introduced, entitles his opinion to careful consideration. The following extract is taken from his address:

"With regard to the influence of mechanical occupation upon the mental and moral development of the workingman, I have formed some decided opinions as the result of many years of observation. I am satisfied that even an insensate machine, in which, however, the intelligent and skilled designer has embodied his own mental faculties into its material combinations, so that it is constrained to do his will when power is applied, performing accurately the most complex operations, exerts a stimulating educational influence upon the care tender, even though he may be an illiterate man or boy, entirely unconscious of this influence. I am thus, from daily practical observation, at variance with those theorists who maintain that mechanical occupation is necessarily narrowing to the intellect.

'If you give a boy of average capacity the simplest routine work to do in connection with a machine, perhaps it is merely to feed it with raw material, he will at first, in all probability, perform his task in a purely perfunctory manner, taking little interest in the work and having no comprehension of the mechanism of the machine. Little by little, however, the constant repetition of mechanical movements, producing always one uniform result, impresses itself upon his latent powers of comprehension, the underlying principles and heretofore hidden motive of the seemingly inexplicable combination of wheels and gears is revealed, and simple order is evolved out of complexity, a new interest is developed and the boy becomes an intelligent operator. On revisiting the establishment at the end of some months, you may find the same machine and the same, yet not the same, attendant. He has become, it may be, an expert; he is now, perhaps, the master of the machine, knowing its imperfections and sometimes even suggesting improvements which had been previously overlooked.

"The influence upon the operative of daily contact with machinery is thus, in my judgment, a potent one, enlarging his mental horizon, giving him more accurate perceptions of the true relation of parts and fitness of things and elevating him intellectually above the average plane of the skillful handicraftsman.

"If we had time to dwell upon this interesting phase of psychological study, I might even go a step farther and say that I believe it is possible to trace, through the machine, back to the inventor, a positive and continuing influence of his mind upon the mind of the operator. I cannot, at this time, lead you on this path farther than to point out the direction of thought and give you some illustrations of those features of mechanical occupation which are of the greatest interest, I think, to the student of sociology, viz: The correlative influence as revealed in such studies of mind upon matter, and of matter upon mind.

"I believe that every novel machine possesses something of the personality of its creator.

"Suppose, for example, that a number of inventors, being in different parts of the world, surrounded by different environments, having different necessities, experiences and conveniences, are all engaged independently, at the same time, in solving some new problem in mechanics, or in designing some novel machine to perform special work (we have had a plethora of such illustrations of recent years in the number of new inventions in connection with the employment of electricity for various utilitarian purposes) you will find that different minds involve different methods of accomplishing one ultimate result



"One inventor will proceed by the most direct method to attain the final end, another will take a more devious course and produce, it may be, a more complicated machine yet it may also be difficult to decide upon their relative merits, since one may gain in refinement and accuracy what it loses in other features. Each machine exhibits in its design the mental process of the inventor, and each has therefore a distinct individuality emanating from its creator incorporated in it and this in turn exerts a continuing influence upon the mind of the operator.

"The educational influence of mechanical occupation upon the workingman is strikingly illustrated in still another manner.

"We have in this establishment (and the same may, without doubt, be observed elsewhere) not one, but many, employes who exhibit as much skill in their special work as that of well-known original scientific investigators. They are daily performing operations as delicate in their way as the work of the microscopist and with a degree of accuracy amazing to the novice. Take the simple operation of calipering a tube or measuring a rod and you will find mechanics dealing *quantitatively* with fractions of an inch which ordinary people totally disregard.

"The most perfect machine ever constructed only approaches, never realizes, the ideal of its designer or constructor, and it is therefore impossible to entirely eliminate from the work done by it the 'personal equation' of the operator. You may see, for example, in these works an immense planing machine taking a final scraping cut from the surface of a piece of metal, and it may seem to your sight and touch as smooth as a mirror, yet the inspector will casually rub his finger over the surface and detect ridges not exceeding perhaps a few thousandths of an inch, the work resembling to him a plowed field, and if the furrows exceed a most minute allowance, the operation must be repeated again and again, until the minute imperfections of the man and of the machine have been eliminated from the work.

"It is therefore not merely the ability to turn out a maximum amount of work in a given time from any machine tool which constitutes the skilled mechanic. No matter how nearly automatic the machine may be, it is still subject to human guidance, and no matter how nearly perfect its construction, its work is still subject to final correction by that most wonderful of all machines, the human hand guided by the human mind."

**College and Social Settlements.**—*Kingsley House, Pittsburg, Pa.*, is enlarging its field of usefulness this winter. An additional house, No. 1725 Penn avenue, has been secured and the work is being carried on

there as well as at 1705 Penn avenue. About twenty clubs are organized in the College Settlement and Miss Everest, the superintendent, has succeeded in obtaining an increased number of workers.

"*Social Statistics of a City Parish*," is the title of a pamphlet issued by the Church Temperance Society, Church Missions House, Fourth avenue and Twenty-second street, New York. It contains the results of an investigation of the social facts concerning a small but well defined section of New York City. The plans showing location of churches and saloons give a graphical representation of some of the statistics gathered. Eight women enumerators gathered the material on well-outlined blanks of inquiry containing questions which covered the following general lines of investigation: Family, occupation (skilled or unskilled), wages, hours of labor, rooms, rentals, creed, social and sanitary conditions, agencies (bad and good). The results are then grouped according to nationalities. Much in this fifty-page pamphlet appeals especially to the readers for which it was prepared. Some of it cannot fail to interest all students of social problems and it ought to serve as a model for a kind of work that we might expect our social settlements to do more of than they have done in the past.

**Tenement Houses.**—*The New York Tenement House Committee of 1894*, of which Mr. R. W. Gilder, of the *Century*, was chairman, and Mr. Edward Marshall, secretary, reported to the Legislature on January 16, 1895. The report with recommendations, but without plans and evidence taken, has been printed and covers twenty-seven good sized pages. It discusses the work of the committee and the methods pursued, describes the condition of the worst tenement houses and their population. The tenement house population of New York in 1893 was estimated at 1,332,773 persons living in 39,138 houses, but of this number only four-fifths really belong to the class usually designated by that term, the remainder living in flats and apartment houses. In the real tenement sections of the city the overcrowding is great and the density of population for these sections "greater than that of any other city in the world." The dangers from fire under present laws of construction are very great, and the recommendations in connection with this point are numerous and specific. In all the committee makes twenty-one specific recommendations, grouped under the following general headings: (1) Destruction of Unsanitary Buildings; (2) Regarding Construction of Tenement Houses Hereafter to be Built; (3) Prevention of Fire; (4) Height of Basement Ceilings above Ground; (5) Removal of Wall Paper; (6) Lighting of Halls; (7) Overcrowding; (8) Use of Tenement Houses for Lodging Houses, Stables and for Storage and Handling of Rags; (9) Discretionary

Powers of the Board of Health ; (10) Filing of Owner's Name ; (11) Increase of the Health Board's Inspection Force ; (12) Small Parks, with Playgrounds ; (13) School Playgrounds ; (14) Rapid Transit ; (15) Municipal Bathing Establishments ; (16) Drinking Fountains and Lavatories ; (17) Electric Lights ; (18) Extension of Smooth Pavements ; (19) School Houses and Kindergartens ; (20) Prostitution in Tenement Houses ; (21) Commission on Tenement Houses.

The mere enumeration of these headings, on each of which there was at least one specific recommendation, suffices to indicate, in some measure, the breadth and thoroughness of this investigation. All the recommendations are marked by a spirit of moderateness and a view to their practicability without disturbing existing business conditions, and are in no sense the ravings or dreams of fanatical reformers. In some cases the committee frankly admits that it would like to make a more radical recommendation, but thinks, at the present time, anything more severe would be prohibitory. Perhaps best of all is the last recommendation, that the present Tenement House Board of city officials be abolished. A permanent board of such a nature is not likely to do any good, and the committee wisely recommends a periodical (every five years) investigation by a special committee, as in the present case. The whole report was discussed publicly and enthusiastically approved by leading economists and philanthropists at a large mass meeting held in Cooper Union, Wednesday evening, January 30.

**Sociological Investigation.**—*Work for Churches.* Clergymen of all denominations have of late been among the most eager inquirers on all social questions. Too often their interest has not been sufficient, or the demands on their time and strength have been too great, to enable them to give the patient and careful study to the actual social conditions around them, not to mention the theories and experience of others that is absolutely necessary in order to attain any adequate basis for thought or action. The dilettante who merely desires to gather material for sensational sermons on the labor question, temperance, pauperism, etc., is very apt to put a sufficient number of ill-digested facts and fallacious conclusions together in the limits of a single discourse as to disgust the more sober-thinking element of his congregation. The field of social investigation is so broad that it is not surprising that the average clergyman who wishes to do nothing but good work is afraid to enter it unaided, though his interests cause him pretty constantly to keep one eye on the neighboring social field somewhat to the neglect of his theological patch, where doubtless the law of diminishing returns has begun to operate. Many as are the difficulties that stand in the way of the average overworked pastor,



and deter him from undertaking serious sociological work, there are many kinds of original investigating work for which he is in a peculiarly favorable position. *Facts, sociological facts* of every description are needed by all. The very gathering of these is one of the best kinds of training for honest and clear thinking on social topics. The church, with its splendid machinery and coterie of sympathetic workers, is admirably suited to perform an invaluable service in every community by gathering and publishing full and accurate facts regarding the life and doings of all classes in the respective communities. Never mind if results are not immediately visible. Some of the patience that science requires in the collection of the thousands of inductions that originate or test the accuracy of every valuable scientific discovery; some of the self-abnegation not uncommon in the scientific world, where a life may be devoted to the mere collection of data to be used in generalization by others who build on a ready-made foundation, will surely not be lacking in the church. We all can't solve the "social question" in our own way and by our own unaided efforts, and yet that is what so many reformers are trying to do. We all can contribute something to the analysis of the labyrinth of tangled, knotted, distorted and complicated facts that form the outer surface of all our social questions. Foreign countries and cities are often more favored than we are in America, in that they have able local statistical bureaus which furnish many reliable data which we for the present must rely on private initiative to supply. Every clergyman can help in meeting the deficiency in his locality, can reap a benefit for himself and his church through the reactionary influence of such work on church work, and can directly contribute to the progress of social science in the United States. Mr. Robert Graham, the able secretary of the Church Temperance Society of New York, has published several pamphlets\* which prove that valuable results come from the application of the method of social observation and investigation to the liquor problem, and the latest pamphlet published by that society, entitled, "Social Statistics of a City Parish," † goes into still broader lines of investigation.

The letter accompanying a copy of the latter pamphlet which was sent to the rectors of Episcopal parishes in New York City is so full of

\* "Liquordom in New York City." By ROBERT GRAHAM. New York, 1883. Pp. 26.

"New York City and Its Masters." By ROBERT GRAHAM. New York, 1887. Pp. 47. Price, twenty-five cents.

"Chattel Mortgages on Saloon Fixtures in New York City." By ROBERT GRAHAM. New York, 1888. Pp. 22. All published by Church Temperance Society, Fourth Avenue and Twenty-second Street, New York.

† Noticed above.

valuable suggestions for all clergymen that we reproduce it in full, at the same time stating that this department of the ANNALS will be glad to correspond with any clergymen who desire to undertake work of this nature in connection with their parishes, and help in outlining the same and in the publishing of results of general interest.

*Social Statistics of Parishes.*

'Accurate knowledge of facts must precede all remedies for evils. This is the unanimous opinion of all students of social science and of all charitable societies which are doing their work in an intelligent way. Yet the kind of facts regarding the life and labor of the people which are most needed as a basis for all plans of social advancement have never as yet been collected and tabulated in this city; indeed in this respect New York is as much an unknown region as the woods of Maine.

"By this mail we forward you a copy of a pamphlet lately published by the Church Temperance Society, entitled, 'Social Statistics of a City Parish,' it being an elaborate and most searching investigation into the social conditions, nationalities, creeds, etc., of the population residing within the cure of St. Augustine's Chapel, Trinity Parish, New York.

"The work of enumeration was done by a number of skillful lady visitors, and it is our conviction that it will give you a reliable and valuable analysis of the conditions which make up the social life of that congested section of the city of New York.

"We beg to call your attention to this pamphlet and ask that you will carefully examine it. It is believed that a similar investigation carried out in all the great parishes of the city would materially aid in dealing intelligently with the serious problems that present themselves in the work of the church.

"There can be no more pressing question than that of how to bring about better social conditions for those who live under circumstances so fatal to true religion, intelligent citizenship and real home life.

"In addition to this work as pertaining to great cities we believe that much good would be done, by a more limited yet important investigation in smaller towns and villages. Much hindrance comes to church work from an inaccurate and inadequate knowledge of the actual conditions of their respective communities.

"It would be within the power of almost any rector to secure without expense this more thorough knowledge, and we believe that such investigation would aid to a remarkable degree the intelligence with which the church should do its work, and bring her into more vital touch with the social life of the people.

"We suggest inquiries along the following lines and should esteem it a great kindness if you are willing to give us the advantage of any criticisms or suggestions that occur to you in connection with this work.

"Trusting that you will kindly give the pamphlet your consideration, we remain faithfully yours,

"HENRY Y. SATTERLEE, *Chairman.*

"IRVING GRINNELL,

"PASCAL HARROWER,

"Church Missions House,  
4th Ave. and 22d St.,  
New York."

"ROBERT GRAHAM,  
*Members of Committee."*

*Statistics.*—Population of town or village.

Nationalities.

Creeds and religious affiliations.

Membership of different religious bodies.

Membership of Sunday schools.

Average church attendance of men.

*Saloons.*—Rules governing Excise Board.

Character and attitude of Excise Commissioners.

License fees.

Manner in which present laws are kept touching

Sales on Sunday.

Sales to minors.

Sales to drunkards.

Many other topics for investigation might have been added to the above list. Housing and sanitary conditions, rents, wages and items of family budget are very important items.

*Charities.*—*New York Association for Improving the Condition of the Poor.* This society which has been so valuable an aid to the carrying out of true scientific charity principles by rendering prompt and adequate relief to worthy cases reported by the Charity Organization Society of New York and other organizations as well as individuals, completed in 1893 a half-century of philanthropic work. The demands for relief were so great during the winter of 1893-94 that the annual report which was to be an elaborate one was not issued. It has now appeared combined with the report for 1894 thus making a double volume.\* The work of the society is distributed among six departments: (1) the Department of Finance; (2) of Temporary Relief; (3) of Dwellings; (4) of Food Supply; (5) of Schools and

\*1843-1893. Semi-Centennial of the New York Association for Improving the Condition of the Poor. October, 1894. New York, United Charities Building, 103 East Twenty-second Street. Pp. 275.



Institutions ; (6) of Hygiene. During a period of fifty years ending September 30, 1894, the society expended \$2,250,000, the expenditures for single years in some cases amounting to nearly \$100,000, and in 1894 amounting to \$120,506.60. This report with its eighty appendices offers much material for the detailed study of the different departments of the work of the society and interesting comparisons with similar work in former years. The society experienced three very trying years of industrial depression and distress besides the winter of 1893-94, and the record as far as it goes of the winters of 1854-55, 1857-58 and 1873-74 is interesting for purposes of comparison.

*Pennsylvania.*—The question of abolishing the State Board of Charities, and establishing a Department of Charities and Corrections at Harrisburg composed solely of paid officials, is again before the Pennsylvania Legislature. The expenditures of the State for charitable purposes amounted last year to nearly \$1,500,000, and it is argued that so large a sum warrants the expenditure of a few more thousands on a department that will see that full value is received in a much better way than a board of unpaid private citizens is apt to do. This will naturally bring up a discussion of the present and prospective influence of politics in the control of our State charitable institutions, and thus give room for much difference of opinion as to the wise method to pursue. The Twenty-fourth Annual Report of the Board of Commissioners of Public Charities for 1893\* has just been distributed, and the Twenty-fifth Annual Report is about going to press. The condition of each of the State institutions, and of many private ones under State supervision, is given in detail by the Commissioners visiting them. The statistical part of the report is not encouraging, indicating as it does increase of crime and pauperism, overcrowding of many institutions, etc. Court proceedings show an increase in 1893 over 1892 of persons tried of 1502, or 9.59 per cent; of convictions an increase of 319, or 8.69 per cent; an increase of 221 in the penitentiaries, of 173 in county prisons, of 28 in the workhouse, and a decrease of 25 in the industrial reformatory, and an increase of 53 in the reformatories for boys and girls. The Eastern Penitentiary, where solitary confinement is supposed to obtain, the overcrowding was so great (December 31, 1893) that 1248 persons occupied 720 cells. The almshouse population of the State was 22,950, an increase of 229 over 1892. In addition to these persons out-door relief was extended to 22,269, amounting to nearly \$300,000. The net cost of almshouses

\* "Twenty-fourth Annual Report of the Board of Commissioners of Public Charities of the Commonwealth of Pennsylvania for 1893, also the Report of the General Agent and Secretary, Statistics, and the Report of the Committee on Lunacy." Transmitted to the Legislature January, 1894. Official Document, No. 17.

and out-door relief is given as \$1,912,639.78. The accommodations for the insane are barely adequate, though the removal of 1000 chronic patients to the new asylum at Wernersville filled that institution and left the State hospitals filled to their proper capacity. The report maintains, therefore, that in the near future there will be a demand for a new institution for the care and treatment of the insane.

*Massachusetts.*—The Sixteenth Annual Report of the State Board of Lunacy and Charity of Massachusetts,\* covering the year September, 1893 to September, 1894, has just appeared. The number of insane in the State under supervision, September 30, 1894, was 6571, of which 5551 were in hospitals and asylums, 809 in town almshouses, and 211 in private families. The cost of support in the State hospitals and asylums was \$772,559. The poor in the State within the year ending September 30, 1894, were :

In-door poor, State and town, average, . . . . .	12,039
Out-door poor, State and town, supported, average, . . . . .	1,388
Out-door poor, State and town, relieved, . . . . .	57,000
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Cost of support and relief, towns, . . . . .	\$1,982,072
Cost of support and relief, State, . . . . .	358,688
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	\$2,340,760
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The report contains a well-prepared statistical appendix entitled "The Pauper Abstract." From one of these tables, an exceedingly interesting one (page xxxi), it appears that pauperism in the cities and towns has increased greatly and steadily since 1874, in Massachusetts, so far as those who are fully supported by the public go. The number receiving partial support does not vary greatly from year to year. The cost to the people of Massachusetts, however, has nearly doubled in the period 1874-94.

*Unemployed.*—*New York City.* Appendix No. 13 (page 153) of the Semi-Centennial Report of the New York Association for Improving the Condition of the Poor† gives an epitome of Miss Buchanan's report to the society which tabulates the answers to questions sent by Mr. Carlos C. Closson, representing the "Quarterly Journal of Economics," to Mayor Gilroy of New York, and referred by him to this society. It contains a good summary of the relief-work done in New York City during the winter of 1893-94.

*Cincinnati, O.*—The annual message of the Mayor of Cincinnati for 1894 contains a résumé of the relief work undertaken by the city in the winter of 1893-94. From the census taken by the police force, October 1, 1893, it appeared that 7020 persons were out of

\* Public Document No. 17. Boston, 1895.

† Noticed under heading "Charities" above.

employment, and that these persons, of whom 5851 were men, the balance women and children, were the bread-winners and support of over 25,000 people. A committee of citizens in conference with the Mayor deemed the situation sufficiently serious to warrant the city giving additional employment. The Board of Legislation appropriated \$30,000 from the Contingent Fund to be placed at the disposal of the Park Board, and during the month of November, and up to December 15, 1893, 1200 men were employed on the parks, 2387 persons applied for work, 1891 were examined at residences, 1013 were recommended after examination, and 878 were not recommended for one of the following reasons: (1) Not found at address given; (2) no families dependent, or families had sufficient income for maintenance; (3) few who had found other work between time of application and examination. About 50 of those recommended did not appear, or were discharged for good cause on trial; 200 additional men were taken from the organization of the unemployed, and 1168 laborers and 32 foremen and time-keepers in all were employed; \$28,543.33 was paid in wages, and \$1456.77 for tools.

A second bill appropriating \$100,000 became law February 1, 1894, and up to April 1, 1894, of the 4495 applicants for work, 3140, who were the main support of 17,000 persons, were employed six days at eight hours each at fifteen cents an hour every third week. All applicants were rigidly examined by the Associated Charities and the Police Department. A fairly good system of employment cards was improvised to prevent fraud. Most persons employed had had no experience with a pick or shovel, and the Mayor estimates that the actual value received from the labor employed will not exceed fifty cents on the dollar. At the date of the Mayor's report (April 1, 1894,) about half of the \$100,000 appropriation had been expended.

The report of the Board of Administration, issued in February, 1895,\* shows that the balance of this appropriation was expended on the parks and in cleaning and repairing the streets, and that the Water Works Department was authorized to issue in addition \$100,000, of which \$50,000 was expended in pay rolls, making a total expenditure for the relief of the unemployed of about \$180,000.

**Immigration.** *Immigration Restriction League.* The wide-spread feeling that the time has come when there should be a more careful sifting of the immigration to our shores, has found expression in the formation of the Immigration Restriction League. It was organized in Boston on May 31, 1894, but now has members in nearly every State in the Union. It is an entirely non-political and non-sectarian organization.

\* Pp. 98. Cincinnati. The Commercial Gazette Job Print, 1895.



According to the Constitution its objects are: "To advocate and work for the further judicious restriction or stricter regulation of immigration, to issue documents and circulars, solicit facts and information on that subject, hold public meetings, and to arouse public opinion to the necessity of a further exclusion of elements undesirable for citizenship or injurious to our national character. It is not an object of this league to advocate the exclusion of laborers or other immigrants of such character and standards as fit them to become citizens."

The officers of the league are: President, Professor John Fiske, Cambridge, Mass.; Vice-Presidents, Mr. Samuel B. Capen, Boston; Hon. George F. Edmunds, Burlington, Vt.; Hon. George S. Hale, Colonel Henry Lee, Mr. Robert Treat Paine, Hon. Henry Parkman, Mr. Thomas F. Ring, all of Boston; Hon. L. Saltonstall, Newton, Mass.; Professor N. S. Shaler, Cambridge, Mass.; and Professor Richmond Mayo-Smith, New York City; Secretary, Mr. Charles Warren, 428 Exchange Building, Boston; Treasurer, Mr. S. D. Parker, Boston. The Chairman of the Executive Committee is Mr. Robert DeC. Ward. The annual dues are one dollar.

The league has issued thus far five publications, Number one is a small sixteen-page pamphlet on "The Present Aspect of the Immigration Problem." Number two is a four-page circular containing statistics as to the character of the immigration into the United States, etc. Number three, another sixteen-page pamphlet, contains "Various Facts and Opinions Concerning the Necessity of Restricting Immigration." Number four is also a four-page circular and gives "Twenty Reasons Why Immigration Should Be Further Restricted Now." Number five is a card and contains the "Latest Information About Immigration," (December, 1894). Any of these publications can be obtained from the secretary, 428 Exchange Building, Boston.

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MAY.

1895.

ANNALS  
OF THE  
AMERICAN ACADEMY  
OF  
POLITICAL AND SOCIAL SCIENCE.

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UNIFORM STATE LEGISLATION.

We are living under a fourfold system of law; there is, in every State, (1) the common law of the State as interpreted by its courts; (2) the common law as interpreted by the United States courts; (3) the statutes of the State, and (4) the statutes of the United States.

Can the complication which thus arises be abated? I for one have no desire to touch our system of State and federal government, with the resulting system of State and federal courts; still less have I any desire to touch the federal constitution, or to alter that great principle of local self-government under which our sovereign States legislate for themselves on their own affairs—"a method which so well combines Roman power with Saxon freedom." But by voluntary and simultaneous action—the same action which led to the adoption of the federal constitution—it is hoped that the several States may gradually be brought to enact the same statutes on all purely formal matters, on most matters of trade and commerce, and in general on all those subjects where no peculiar geographical or social condition, or inherited custom of the people demands in each State a separate

and peculiar statute law. In other words, we think that the confusion which results from contradictory statutes may in large measure be obviated without any great modification of the statute law in any one State, by merely passing, under the general head of "acts to promote national uniformity of law," new and simple chapters of laws in cases where the uniform law is different from the law as already existing in the State. In most cases they will be the same; for, other things being equal, we shall, of course, recommend for adoption the law existing already in the greatest number of States.

Now how does this diversity of statute law arise? Let us consider the statute law of the original thirteen States, and the extent to which they have simultaneously adopted the common law of England, and its statutes. The inherited body of English laws, as existing, let us say, July 4, 1776, was already somewhat complex. It consisted: (1) of the common law of England so far as each State had tacitly adopted it as suited to their condition; and further so far as they had expressly adopted it by statute at this or a subsequent time; (2) of the statutes of England, or Great Britain, amendatory to the common law, which they had in like manner, that is, tacitly or expressly, adopted; and (3) of the colonial statutes themselves.

Here we may observe two reasons for diversity: (1) In English statute law, as the States differed very widely in the completeness with which they adopted it, and the date to which they brought such adoption, and (2) the difference existing among the colonies in their own statutes. This, however, is not so great as would be supposed; for nearly all colonial statutes were more in the nature of ordinances, and concerned such matters as the treatment of Indians and the financial system rather than the general common law; and, moreover, after the Revolution there was a distinct tendency to adopt the same laws, even though the colonial laws had differed. For instance, in the case of the inheritance of land, some States had, before the Revolution, the rule of primogeniture, some States—like Massachusetts—gave the



eldest son a double portion; and some States had already adopted, under the lead of Georgia, the system universal at present, by which all children shared equally.

Considering first the common law of England, Franklin said of it, "The settlers of colonies in America did not carry with them the laws of the land as being bound by them wherever they should settle. They left the realm to avoid the inconveniences and hardships they were under, where some of these laws were in force; particularly ecclesiastical laws, those for the payment of tithes, and others. Had it been understood that they were to carry these laws with them, they had better have stayed home among their friends, unexposed to the risks and toils of a new settlement. They carried with them a right to such parts of the laws of the land as they should judge advantageous or useful to them; a right to be free from those they thought hurtful, and a right to make such others as they should think necessary, not infringing the general rights of Englishmen; and such new laws they were to form as agreeable as might be to the laws of England."

The common law of England has, in thirty States, been expressly adopted by a statute of the present State, the statute being adopted in most cases soon after the Revolution. Thus, in Maryland, the people are declared entitled to the common law of England by the Maryland declaration of rights. In twenty-four other States the common law of England so far as applicable and not inconsistent with the constitution and laws of the State, or such part of it as is adapted to the condition and wants of the people, whatever that may mean, is adopted and declared to be in force. In five other States such parts of the common law as were in force in the colony or in the territory previous to the adoption of the State constitution, are declared in force if not inconsistent therewith.

This accounts for thirty out of forty-six States and Territories. Only in Florida and Dakota there is declared to be

no Common Law cases where the law is declared by the codes. In the other fifteen States and Territories the statute-books are silent; but I will presume that in all the Common Law of England prevails; for the only States about which there will be any doubt, namely Texas, Louisiana, New Mexico and Arizona, originally French or Spanish States, belong to the class which have expressly adopted the Common Law. We see, therefore, that there is no great ground for diversity here.

Taking up next the English statutes: Here we find a great diversity. Professor Colby, of Dartmouth, says, \* "By English constitutional usage acts of parliament passed after the settlement of any American colony were not deemed to bind it unless it was named therein.† Long before the Revolution public opinion in America ordained and declared that no act of parliament passed after the settlement of any American colony ought to have force therein, even if applied to it in express terms, unless adopted in it, at least, by tacit consent. When, therefore, independence was proclaimed and State constitutions were adopted, English statutes amendatory of the common law, only "so far as applicable and not inconsistent with the laws of the United States or the State" were declared to be in force in the different States. But in this matter the original States, and later the new States, have acted with true English irregularity, and so added to the diversity of the American law."

Indiana, Illinois, the Virginias, Missouri, Arkansas, Colorado and Wyoming, adopt all English statutes which were enacted prior to the fourth year of James I., with certain specified exceptions even there; while Rhode Island and Florida adopt all statutes up to the time of the Declaration of Independence; and Pennsylvania all which were in force on May 10 of the year 1776; and New York, on the

\* Address of James R. Colby before Grafton & Coos Bar Association, January 20, 1890.

† Blackstone, Vol. 1, p. 368.

other hand, expressly denies any effect to any English statutes in New York since May 1, 1788. Thus, in Pennsylvania practically all English statutes enacted before May 10, 1776, are in force, while in the neighboring State of New York none are.

Nevertheless, I think that the courts of all States—including the vast majority which are silent on this point—do in fact enforce those important English statutes which have grown to be considered as part of the Common Law. I do not believe, therefore, that there is any great cause for diversity here again.

Taking up next the colonial statutes: In Massachusetts there are a great many colonial laws which are very interesting; especially the collection known as the "Body of Liberties," and which have probably some effect on the present decisions of courts in that State; but the bulk of them are of interest rather from the sociological point of view. It comprises ninety-eight sections, the first of which is identical with the civil rights provision of the English Petition of Right to Charles I. Twelve other sections concern similar rights. Section 9 regulates monopolies and patents; and Section 10 declares lands free of all feudal systems of tenure. Section 11 gives power to will; and there are forty other sections concerning "rights at law." Twenty-one sections are called "Laws concerning liberties, more particularly concerning freemen;" four sections concerning "liberties of children," four "of servants," four "of foreigners," while only two consider the "liberties of women."

From a general glance at the Massachusetts colonial laws, it appears that substantially all matters now covered by statute were treated of in them, and also many other matters concerning which statute regulation would now be indefensible; for, as we all know, the Puritan commonwealth interfered with the liberty of the citizen to a far greater extent than we would suffer the State to do nowadays.



As an example of the sort of colonial statute which is still in force to-day, one may mention that statute which was universally adopted throughout the colonies providing that all conveyances of land shall be by deed, and not by livery of seisin; and establishing the relations within which a person may not marry.

The laws of New Hampshire and Rhode Island were much like those of Massachusetts, and are quite as bulky. The laws of Connecticut are still more so. The laws of New York are contained in statutes at large; they are bulky and not digested; but most of them were, after all, mere ordinances or regulations of government; not statutes affecting the common law. In Maryland we find an official volume of English statutes in force running from the ninth of Henry III.—the statute of dower—down to the eleventh of George III.—the renewal of leases; and in South Carolina we find an act of 1712 giving a similar list of the statutes of the kingdom of England, or South Britain, which were in force in that colony, running from Magna Carta ninth Henry III., to the twelfth of William III. This list, curiously enough, is not identical with the Maryland list; but includes a greater number of statutes, although many statutes were adopted in both.

The only constitutional bodies of law which left any trace on our present States, were the Body of Liberties of Massachusetts; and the declarations or bills of rights of Virginia, Rhode Island, and Connecticut, the last of which is claimed to be the first independent constitution ever adopted in writing by an English state. For the most elaborate of all the colony constitutional documents, the celebrated scheme of government drawn by John Locke for the settlement of South Carolina, although printed still in the first volume of that colony's laws, so far as any effect or trace of it now goes, has vanished from the face of the earth.

I have given a few words to this subject of colony laws, for the purpose of showing that with the exception of the

constitutions, the colony laws, though bulky and of great interest, do not in fact usually touch upon the domain of the common law; yet such peculiarities as their statutes had were preserved somewhat in the statutes of the States which succeeded them; and this really is the only original cause of the diversity which we are considering, which has lasted to the present day.

When we come to the statutes of the States since the war of independence, we find great diversity; and it is that diversity which we have to consider, and hope in part to remedy. For, as has been implied already, we think that in the great number of cases there is no reason whatever for this diversity at present; and those are precisely the cases from which the greatest trouble arises. Very little difficulty, for instance, arises from the difference of the statute regulating the descent of land, where there may be a reason for the diversity that exists. The land cannot be carried about from one State to another so as to lead to confusion. On the other hand, conveyances of land may be made anywhere, in the Union or elsewhere, to take effect in any State; and here great difficulty arises from the mere formal differences in the execution of deeds; and these are precisely such differences as seem entirely fortuitous and unnecessary.

Before considering in detail a few of the subjects in which we think uniformity of law may be well attained, we may remark, as bearing on the difficulty of the task, that it is not as if each one of the forty-six States and Territories had a wholly different statute upon any subject. If that were the case, the task would, indeed, be a hard one; but as a matter of fact, I have found upon making a complete and careful examination and comparison of the laws of all the States, that we usually find not more than three or four *different* statutes, in them all, upon any one subject. You will commonly find some twenty States, mostly Northern and Northwestern, following the lead of the State of New

York, and having the same law. The New England States with Ohio and Oregon, will usually form another group. The Western and Pacific Coast States, under the lead of California, will form a third; and while there may be two or three States with anomalous statutes on any one point, you will not commonly find more than three, or, at the most, four differences, if the Southern States happen to be different upon any one section of a statute in the whole Union. And there are many statutes, such as those upon limited partnership, where the law throughout the whole United States is now nearly identical. This, therefore, would be a very easy subject on which to obtain uniformity; and, at the worst, you have but to bring the minority of the States into harmony with the laws of the majority, provided the laws of the majority are open to no obvious objection.

The diversity, however, even between adjoining States of like conditions is very great. To quote Judge Brewster, of Connecticut,\* as to the difference between that State and New York, "we find that in New York, a marriage ceremony, if ceremony it can be called, is valid without the aid of clerical or civil officer; in Connecticut it is not. New York limits absolute divorce to one cause; Connecticut invites discontent by eight. New York has two kinds of divorce; Connecticut one. In New York property descends, so to speak, from child to parent in preference to brother or sister; Connecticut favors fraternal rather than paternal heirship, and the whole law of dower, courtesy, perpetuities and ancestral estate in the two States is entirely different. New York requires two witnesses to a will; Connecticut three. New York abolishes common law trusts and powers, except as defined by statute; Connecticut retains them. New York allows preferences in insolvency assignments; Connecticut treats all general creditors alike. How a notarial seal, especially from over the border, is proved as such in New York, is known only to New York lawyers, if

\* Vol. XIV, reports American Bar Association, p. 369.



it is to them; in Connecticut the seal proves itself. A deed in New York must have a seal, but only one witness; in Connecticut a scroll will answer for a seal, but two witnesses are necessary. As for commercial law, from the liability of common carriers to the endorsement of notes in blank, from chattel mortgage to the doctrine of 'retention of possession a badge of fraud,' great diversity exists in the laws of the two adjoining commonwealths. While in the conduct of a suit at law, Connecticut allows an initial attachment on service of process in all cases, in New York the rule is to wait until final judgment before touching the debtor's property. And while in New York the right of trial by jury remains inviolate, in Connecticut the corporation, or other defendant, can take the question of the amount of damages from the jury and try it to the court, by a simple demurrer, innocently so-called."

The reason of this wide diversity in our State statutes enacted since the Revolution, may be traced to two or three causes. Sir Henry Maine has stated that "the capital fact in the mechanism of modern states is the energy of legislatures." Five centuries ago our branch of the race deemed statutory enactments fraught with peril. Hallam in his "Middle Ages"\* says: "A new statute, to be perpetually incorporated with the law of England, was regarded as no light matter. It was a very common answer to a petition of the commons, in the early part of this (Edward III.) reign, that it could not be granted without making a new law. . . . This reluctance to innovate without necessity and to swell the number of laws which all were bound to know and obey, with an accumulation of transitory enactments, led apparently to the distinction between statutes and ordinances."

But as Professor Colby, of Dartmouth, aptly remarks in his able address upon this subject, "in the first years of our constitutional history two causes began to work in America

\* Vol. III., p. 49.

which together go far to explain the energy of our legislative bodies. The first was the democratic spirit which, after finding literary expression in the writings of the Encyclopædists and bearing its first fruit in the American and French revolutions, engendered the belief that judge-made law is aristocratic and that the popular will should be able to realize its object immediately. The second was the spread, as beneficial results were observed to follow the abolition of certain inherited institutions that had survived their usefulness and the repeal of certain feudal laws whose application tended to despoil the suffering masses for the profit of the wealthy classes, of that most persistent of modern political superstitions, the belief that all human ills may be exercised by the sovereign specific of a legislative, 'Be it enacted.' "

Professor Colby--referring to my statement in my volumes on "American Statute Law" that the yearly product of the legislative bodies of all our States is from four to eight thousand statutes, unkindly cites this fact to illustrate the natural fecundity of law organisms.

I myself found upon the investigation to which I have referred, that the States and territories of the Union may be roughly divided according to their habit of enacting statutes into four classes:

1. Code States, which are Ohio, Georgia, Iowa, Texas, California, Dakota, Montana, Utah and Wyoming, though in several other States the statutes are termed codes. These undertake to substitute codes for the common law.

2. States which go far in what may be termed the *enactment* of the common law, and in *addition*, also, which are: New York, Illinois, Indiana, Michigan, Wisconsin, Minnesota and Alabama.

3. States which are generally inclined to add to, or occasionally to alter, the common law, rather than to enact it over in their statutes; which are Massachusetts, Maine, Kansas, Nebraska, North Carolina, Tennessee, Missouri and Arkansas.

4. The conservative States, which retain the common law most nearly intact; which are New Hampshire, Delaware, New Jersey, Pennsylvania, Kentucky and South Carolina.

We are now prepared to sketch the history of the present attempt at national unification of law, which is entirely based, as I have said, on the voluntary action of the States, which have appointed more or less permanent boards of commissioners for this purpose, who meet from time to time in national conference. This national conference then recommends forms of uniform statutes which each State commission, returning, presents to the governor or the legislature of its own State for enactment. The method is a simple one; but the movement—if successful in any degree—would be the most important juristic work undertaken in the United States since the adoption of the Federal constitution. In the more than one hundred years that have elapsed since that time, there has been no official effort to obtain greater harmony of law among the States of the Union; and it is the first time since the debates on the constitution that accredited representatives of the several States have met together to discuss any legal question from a national point of view. The history of the movement may be briefly stated:

For many years lawyers, and thoughtful students of government, have desired something of the sort; but to Mr. Albert E. Henschel, of New York, belongs the credit of drawing the first bill to create State commissions for that purpose.\* This statute provided that the governor should appoint, by and with the consent of the senate, three commissioners who should be constituted a board by the name of "Commission for the promotion of uniformity of legislation in the United States," that it should be the duty of

\*In 1888 this bill was introduced by Hon. Cornelius Van Cott in the Senate of New York, and by Hon. Joseph Blumenthal in the Assembly. After three years' effort on the part of Mr. Henschel, backed by such prominent New York lawyers as Mr. William Allen Butler, Professor Dwight, Austin Abbott, Daniel G. Rollins, Henry E. Howland, Noah Davis, William Dorsheimer, and John Cadwallader, such a statute was passed in 1890.



such board to examine the subjects of marriage and divorce, insolvency, the form of notarial certificates and other subjects, and to ascertain the best means of effecting an assimilation and uniformity of the laws of the States upon them. Pennsylvania and Massachusetts followed with similar statutes; that of Massachusetts adding to the New York list of subjects the acknowledgment of deeds, and the execution and probate of wills. The Massachusetts law gave no general commission to examine into statute law generally, as the New York statute did in the phrase "other subjects;" but as most of the States have followed the larger direction of the New York statute, all the commissioners have deemed wise to go with them, so far as subjects were debated in which uniformity was advisable and practicable. The legislature of Massachusetts has, by ratifying this statute and extending the term of the commission for five more years, endorsed their action in so doing. These commissions in all the States serve without pay, though in many of the States an appropriation was made to cover their expenses. The first general meeting was held at Saratoga on the twenty-fourth of August, 1892, at the time of the meeting of the American Bar Association, which body had given great assistance to the movement from the beginning. At this meeting seven States only were actually represented; the States of New York, Massachusetts, Pennsylvania, Michigan, Delaware, New Jersey and Georgia. Mississippi had created a commission, but was not at that time represented in the conference. I regret to say that since then the term of the creation of the Pennsylvania commission has expired; but so far as I am informed, Pennsylvania is the only State which has not maintained permanently such a commission once appointed, and I earnestly hope that the legislature of Pennsylvania may pass a law at its next session re-creating this commission, or extending the term of the previous commissioners, as has been done in both New York and Massachusetts.

The second meeting was held in New York City on the fifteenth of November of the same year and following days. The third meeting was held at Milwaukee, Wis., on August 31, 1893, and the following days. At this meeting the movement had grown from the original seven States to no less than twenty; the States of Connecticut, New Hampshire, Illinois, Wisconsin, Minnesota, Kansas, Nebraska, North and South Dakota, Montana and Wyoming, having in the meantime appointed commissioners.

The fourth conference was held in Saratoga, N. Y., on the twenty-second and twenty-third of August, 1894, in which the States of Iowa and Virginia were also represented commissioners, making twenty-two in all. Since then I have had letters or information from the governor or secretary of state of several other States, among them Kentucky, Ohio, Oregon, Washington, Nevada and Oklahoma Territory, announcing the progress of legislation for similar commissions, so that we hope at the meeting at Saratoga in August this year to have nearly thirty States represented. A bill has moreover recently been introduced in the House of Representatives for the appointment of a similar national commission to be permanent, with paid salaries, which shall co-operate with the State commissioners in this work, as there are many subjects upon which there is also national legislation. This bill is substantially as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that for the purpose of obtaining uniformity of law, and uniformity in the administration of the law, throughout the United States, both in Federal and State courts, there shall be prepared for adoption by Congress, or for submission to the several States, codes of law upon subjects wherein diversity is a hindrance to interstate commerce and an impediment to the prosperity of the country, and codes making simple and uniform the practice of all Federal courts.*

SECTION 2. That for such purpose the President shall nominate and, by and with the advice and consent of the Senate, shall appoint three commissioners on the uniformity of laws, whose duty it shall be to prepare codes of the substantive law upon subjects of commercial and

mercantile law, and especially the law upon sales and sellers' liens, stoppage in transitu, the liability of carriers, negotiable paper, the making and execution of deeds, and the law of domestic relations, including marriage and divorce, and upon such other topics of the law upon which it may seem desirable to said commissioners that there should be uniformity throughout the country ; and to prepare codes of civil procedure and criminal procedure for the courts of the United States.

SEC. 3. That said commission shall from time to time, as it shall complete drafts of any portion of its work, submit copies of the same to the commissioners of the several States and Territories that have appointed or may hereafter appoint commissioners on uniform laws, for their advice and co-operation ; and shall from time to time, as it shall fully complete any portions of its work, report the same to Congress for its action.

SEC. 4. That Congress shall provide for the use of said commission at the seat of government a suitable office, books, stationery and clerks.

It will be seen that this movement has passed beyond the stage of an experiment, and may fairly now be called national. The commissioners have deemed it wise to proceed very slowly and carefully, and so far all the laws recommended by them for adoption throughout the country are contained in one small blue-book. Still less progress has been made in the actual enactment of these recommendations by the legislatures of the several States; partly because the commissioners themselves have deemed it wise to wait until they had been joined, and their recommendations approved, by a large majority of the States ; and partly owing to the natural reluctance of any one State to be first in adopting the laws recommended. There is a natural reluctance on the part of any State legislature to change, however slightly, the statutes under which its people live, until at least they feel sure that the object of such change is to be attained by the adoption of the new statute in all the States of the Union. There is also, perhaps, a certain element of short-sightedness or local prejudice which is against making any change in their wonted law, however important be the purpose. We find it commonly said to us by members of the several State



legislatures—and even by members of the national conference of commissioners—"Why, that is not the law in my State," as if that objection were final; even when the State referred to is alone, or almost alone, in its treatment of the law, and the new law, proposed by the commissioners, is identical with that of the bulk of the States. Of course, if objections on this score are to prevail when there is no real objection arising from the circumstances or condition of the people, the whole movement will come to an end. We hope in time, however, as the legislatures and the people understand the value and the purpose of the movement, that these merely local objections will cease to be heard; and the State of Massachusetts, at least, has taken the lead by adopting in the last session of its legislature several of the important new laws recommended by the national conference. All the States in enacting such laws are urged to entitle them, "*An act to establish a law uniform with laws enacted or to be enacted in other States*" for whatever the subject may be. This phrase "uniform law" to serve as a sort of hall-mark, to indicate at once that the statute passed is one of the laws to be adopted in the same words by all the States of the Union, so that the lawyer or student finding the caption "uniform law" at the head of any statute, will understand at once that the provisions of that statute, at least, are universally adopted throughout the country.

At its first meeting at Saratoga, the boards of commissioners of the several States organized themselves into a national conference, and elected as president the Hon. Henry R. Beekman—now Judge Beekman—of New York, and myself as secretary. Mr. Henschel, the permanent paid secretary of the New York commission, being the only paid permanent officer which any board has authority to appoint, has been of great service to the national conference itself.

At the third meeting held at Milwaukee, special permanent national commissions were appointed on the following subjects: Wills, Marriage and Divorce, Commercial Law,

Descent and Distribution, Deeds and Conveyances, Weights and Measures, Certificates of Acknowledgment and Forms of Notarial Certificates, and finally a committee on uniformity of State action in appointing presidential electors. \*

All the debates of these four conferences have been preserved by stenographic report, and as showing how carefully and exhaustively they have been considered, I will say that the report of each conference covers from two to three hundred typewritten pages. Of course many subjects have been debated, and many statutes scheduled out which have not yet got into the blue-book which contains the formal recommendations—proposed statutes being only printed in it when there is absolute unanimity upon them in the conference, and they have received the vote of at least two successive meetings.

Many other matters have been earnestly discussed than the blue book contains.

I have said that this is the first time that representatives of the States of the Union have been brought into common debate on questions of fundamental law since the meeting of the Constitutional Convention itself; and it has been interesting to note both how great and how small the changes since that time have been in the characteristics of the several States, and in the views of their citizens upon cardinal questions of civilization. These latter—except so far as we are expressly ordered to do in the case of marriage and divorce

\*This latter committee was appointed upon the suggestion of Mr. Buckalew of Pennsylvania; and although it lies almost beyond the scope of the movement to improve merely the common law, and goes rather into the domain of statecraft, its importance is obvious, and it is a good example for that very reason of what this national conference, if permanent, might ultimately hope to accomplish even in the way of improving the form of government under which we live. Its necessity was already present in the mind of Alexander Hamilton, as appears from a letter addressed by him to John Jay; and the danger of the present state of things—apart from the unfairness arising from diversity in the several States—is that the matter being left entirely to the discretion of State legislatures, the law of any one State upon it may be changed in view of any particular election, when the vote of such State will determine the result.

We might have had an example of that in the State of Michigan at the last presidential election, and it is easy to see to what public danger such a condition of things give rise.

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take such proofs and acknowledgments, and whose authority so to do is not intended to be hereby affected.

SECTION 4. To entitle any conveyance or written instrument, acknowledged or proved under the preceding section, to be read in evidence or recorded in this State, there shall be subjoined or attached to the certificate of proof or acknowledgment, signed by such officer, a certificate of the Secretary of State of the State or Territory in which such officer resides, under the seal of such State or Territory, or a certificate of the clerk of a court of record of such State, Territory or District in the county in which said officer resides or in which he took such proof or acknowledgment, under the seal of such Court, stating that such officer was, at the time of taking such proof or acknowledgment, duly authorized to take acknowledgments and proofs of deeds of lands in said State, Territory, or District, and that said Secretary of State, or Clerk of Court, is well acquainted with the handwriting of such officer, and that he verily believes that the signature affixed to such certificate of proof or acknowledgment is genuine.

SECTION 5. The following form of authentication of the proof or acknowledgment of a deed or other written instrument when taken without this State and within any other State, Territory or District of the United States, or any form substantially in compliance with the foregoing provisions of this act, may be used.

Begin with a caption specifying the State, Territory or District, and county or place where the authentication is made.

I, \_\_\_\_\_, Clerk of the \_\_\_\_\_ in  
and for said County, which Court is a court of record, having a seal (or,  
I, \_\_\_\_\_, the Secretary of State of such State or Territory),  
do hereby certify that \_\_\_\_\_ by and before whom the foregoing  
acknowledgment (or proof) was taken, was, at the time of taking  
the same, a notary public (or other officer) residing (or authorized  
to act) in said county, and was duly authorized by the laws of said  
State (Territory or District) to take and certify acknowledgments or  
proofs of deeds of land in said State (Territory or District), and  
further that I am well acquainted with the handwriting of said  
\_\_\_\_\_, and that I verily believe that the signature to said  
certificate of acknowledgment (or proof) is genuine.

In testimony whereof, I have hereunto set my hand and affixed  
the seal of the said Court (or State) this \_\_\_\_\_ day  
of \_\_\_\_\_, 18 \_\_\_\_.

SECTION 6. The proof or acknowledgment of any deed or other  
instrument required to be proved or acknowledged in order to

entitle the same to be recorded or read in evidence, when made by any person without the United States, may be made before any officer now authorized thereto by the laws of this State, or before any minister, consul, vice-consul, chargé d'affaires, or consular agent of the United States resident in any foreign country or port, and when certified by him under his seal of office it shall be entitled to be recorded in any county of this State, and may be read in evidence in any Court in this State in the same manner and with like effect as if duly proved or acknowledged within this State.

*Massachusetts Laws, 1894, Chap. 253.*

In this connection, however, we believe that it would be wise for every State to adopt this uniform statute in its own words, in order to remove all question, even when the law set forth in it appears to be identical with the law already existing in such State. In that case it can do no possible harm, and it renders it perfectly clear to any one living in another State which has adopted the same law that the law *is* the same in the two States; for, the slightest change in wording, or even in punctuation, sometimes even in the title of an act, may make a difference in the judicial interpretation of the statute, so that we cannot be quite sure that the law is *really* identical in any two States unless the statute is the same *verbatim et literatim*. Of course it may be urged, even after this, that the courts of the two States may differ in their interpretation of the statute; but we believe that, inasmuch as the statute is identical, the decision of the court of any one State would become almost a binding authority on the court of another State, which has to construe precisely the same statute; so that the decisions of the courts will tend to become as uniform as the law itself.

The next question which came up was of the form of the instrument itself; and first of all that of seals. Now it is obvious that there are two questions concerning seals liable to be confounded. One is, what shall be the nature or form of a seal itself to make it valid as a seal? and the second, what shall be the effect of a seal when there is no doubt about the seal being there?



As this is a useful illustration of what I mentioned as the general stream of legislation upon any subject, I will state in brief what the law on seals now is throughout the country:

As to the effect and necessity of the seal, we find here—as we usually do on most questions—about three ways of treating the subject. The first, or old law, is that all deeds must be sealed by the party executing them, or they will be of no validity. This, as is usual in the case of statutes which are conservative and express the old common law, is followed generally in New England, in New York and in some of the States which usually follow New York law, and also in South Carolina and Florida, being sixteen States in all. In Massachusetts there is no statute on the subject; but it is held to be the common law without a statute, and I presume such is the case in Pennsylvania.

Then the second way of treating the subject is the absolutely radical, which abolishes the use of private seals entirely. This is generally the law in the Western States, following the lead of Ohio, and in Kentucky, Tennessee, Mississippi and Texas—fifteen States in all.

Then we have a third way which holds the middle ground between the two—that is, not to require a seal but to give it effect as importing consideration, thus making a sealed instrument of higher value than a simple written contract, because you do not have to prove any consideration for it. This is the law of California and a few States following it.

These are the only three ways of treating seals found in the laws of all the States, with the exception only that we find—as we often do—one anomalous State, namely Alabama, which has a statute that a seal is not necessary to convey the legal title to land so as to enable the grantee to sue at law; whatever that statute may mean.

Now as this is, in a sense, a more substantial matter than the mere formal characteristics of the seal, the conference have so far contented themselves with recommending the form of the seal; for on the substantial question whether the

use of seals should remain in the law at all, they found, as they always did in such cases, such great and decided difference of opinion in the various sections of our country, that it seemed unwise at the beginning to attempt to reconcile them. But when they came to the mere form of seals, they found it easy to obtain unanimity, and the conference unanimously voted to recommend besides a seal impressed upon or affixed to the paper, that the word "seal" or the letters "L. S.," written or printed, should be sufficient; the conference considering that the main point was rather whether the maker of the instrument intended it to be a sealed instrument than the physical device that he used to make it so. And following this line of argument, the conference were not willing to recommend that a mere scrawl of the pen should take effect as a seal, as it does in some States, for the very reason that in that case it is often difficult to tell whether the intention of the maker was that it should be a seal or not; that is, whether it was meant as a seal or a mere flourish. The statute is as follows:

A UNIFORM LAW RELATIVE TO SEALING AND ATTESTATION OF  
DEEDS, ETC.

*AN ACT Relating to the Sealing and Attestation of Deeds and  
Other Written Instruments.*

(Enacting Clause.)

SECTION 1. In addition to the mode in which such instruments may now be executed in this State, hereafter all deeds and other instruments in writing executed by any person or by any private corporation, not having a corporate seal, and now required to be under seal, shall be deemed in all respects to be sealed instruments, and shall be received in evidence as such, provided the word "Seal" or the letters "L. S." are added in the place where the seal should be affixed.

SECTION 2. A seal of a court, public officer or corporation may be impressed directly upon the instrument or writing to be sealed, or upon wafer, wax, or other adhesive substance affixed thereto, or upon paper or other similar substance affixed thereto by mucilage or other adhesive substance. An instrument or writing duly executed in the corporate name of a corporation, which shall not have adopted a corporate seal,

by the proper officers of the corporation under any seal, shall be deemed to have been executed under the corporate seal.

The next subject which the conference has thus far treated is that of the execution of wills. The present law of some States is that, for instance, a will executed by a New York man may nevertheless not be valid if it be executed out of the State according to the law of that State; while, on the other hand, a will executed by a New York man in New York according to the law of New York, may not be valid as to real property he owns in Pennsylvania.

Most of the States, however, have in fact adopted the simple statute which the commission recommended, which makes a last will and testament, executed outside of any State in the mode prescribed by law, either of the State where it is executed or the State where the testator lives, equally valid in both States; and as to the probate of wills, a similar statute was recommended that any will duly proved without any State but in the State where the testator lives, may be duly admitted to probate in such other State by filing an exemplified copy. Both these statutes are the law already of the bulk of the States, and are very good examples of a case where unanimity of law throughout the entire country may, we hope, be obtained with very little friction.

Another subject which the conference took up was that of the weights of the legal bushel or barrel. It may be a surprise to some to learn that while the size of the bushel is universally the same, dealers in grain, coal and many other commodities are practically controlled by the law which fixes that the bushel of any particular commodity must weigh so much. For instance, the price of Indian corn now varies as you buy it in New York or New Jersey; so a bushel of oats is 30 lbs. in New Jersey, and 32 lbs. in New York. This results in great confusion, and in great chance of fraud among merchants and dealers, it being uncertain in a contract what kind of a bushel was meant, and many dealers not, perhaps, being aware of the difference in other States at the time the



contract was made. We have accordingly recommended a law which shall fix the size of the barrel, of the hogshead, of the dry and liquid gallon, and of the bushel in heap measure; and shall fix the legal weight of a barrel of flour and a barrel of potatoes, and of the bushel of some twenty important commodities, beginning with wheat, corn, rice and grass-seed. The weights recommended are those in fact now adopted in the majority of the States, and this table has been cordially endorsed by the Boston Chamber of Commerce and as a consequence the statute was duly enacted last year in Massachusetts—Massachusetts being one of the States which had previously no statute whatever on the subject.

We have now entered the domain of commercial law; but the only other subject which the conference has thus far taken up is that of days of grace and the presentment of bills and notes. They have recommended the abolition of all days of grace; but this statute, though duly enacted in New York, failed of enactment in Massachusetts, owing largely to the prejudice of the country people. It is perfectly obvious that nothing has been gained to the borrower by making a note that is due in sixty days run for sixty-three, for he has to pay the additional interest on the three days. The only practical consequence is to complicate bank accounts, and to bring on much uncertainty and even considerable danger as to the duty of banks in forwarding bills and notes which are payable in some other State.

But the whole subject of commercial law is one in which there may be much difference of opinion as to the wisdom of attempting a universal codification. We are all agreed that the few important short statutes concerning notes and bills should be generally adopted. In most States these are very brief, the statute concerning them containing in the State of Massachusetts for instance, only thirteen sections, about one page and a half; and in some other States it is still briefer. In California and the code States generally, there is an elaborate code of some

thirty or forty pages on the subject. Opinions vary greatly among the commissioners themselves. Judge Brewster, of Connecticut, for instance, is of opinion that an exhaustive commercial code should be recommended by the commissioners and adopted by all the States. The New York code on the subject contains five chapters, with some thirty articles, and would probably cover six or eight pages of an ordinary statute book. Mr. Field's International Code contains on the subject of bills of exchange some sixty articles, largely definitions. Judge Chalmers, of England, has written a treatise on the law of bills, notes and checks in the form of a code which contains ten chapters, and 278 articles, which would probably fill at least thirty pages of an ordinary statute book. This code was recommended for adoption as a uniform statute at the last Saratoga conference. I myself have prepared a chapter which embodies all the important statutes now usually existing on the subject in the States of the Union, and contains only nineteen sections, and could be put in two pages of an ordinary statute book; thus being almost as short as the Massachusetts chapter, while far more comprehensive. It does not, however, concern itself with definitions or elaborate statements of the law merchant, but approximates most closely to the statute on the subject as it actually exists in most of the States of the Union at present.

This, therefore, with the cognate subject of bills of lading and warehouse receipts, is a very good example of a most important subject upon which there is much difference in present legislation, and much difference of opinion among the State commissioners and experts on the subject generally.

This is as far as the conference have proceeded, with the exception of the subject of marriage and divorce, to which reference shall be made later; but it may be useful to put on record a brief list of those subjects in which it seems wise to attempt national uniformity, with a brief mention of a few where it is quite out of the question.

Valuable work on the subject of conveyances is still to be done. For instance, simple forms of deeds, warranty and quit-claim, of leases, and of real estate covenants may be enacted by statute in all the States as they have been in some, so that any man may buy at a law stationer's a brief and simple deed which he knows will be valid throughout the Union, and will have the same effect everywhere.

This has been expressly urged upon us by Messrs. Lombard, McNeil and Turner, of Chicago, authorized representatives of the National Real Estate Association, who appeared before us at the Milwaukee meeting to urge that real estate men had a direct interest in the adoption of a uniform system of conveyancing, and to request the conference to recommend the adoption in all the States of a simple statutory form which might be used in addition to the more cumbrous common law conveyances already existing. They showed us that in States that had adopted such statutory forms, these forms were so much preferred, that they had gradually come into almost exclusive use.

On the other hand, I think it would be quite unwise to touch the land law generally; by defining, for instance, the law of freeholds and fees, or uses and trusts, or the rules of descent. The latter, particularly, is a question which should be left to the people of each community to settle according to their ideas; and although, as Judge Brewster points out, real estate in New York goes to parents in the absence of children, and in the adjoining State of Connecticut goes to the brothers and sisters, I doubt not there is an historical reason for that fact; that such is the preference of the people of those two States, and that it would be unwise for either the State or the commissioners of the national conference to interfere.

The same may be said of uses and perpetuities, of the amount that a man may devise in charity, and of charitable trusts generally. The Louisiana law, for instance, following the French code, strictly limits the proportion of his property



which a man may bequeath to others than his children or other heirs. To a limited extent the law of New York does the same thing; and it is clearly a matter which the people of every State have entire right to settle for themselves.

Powers of attorney, on the other hand, and more particularly the laws of mortgages, it would seem very wise—in those days when many individuals and nearly all corporations are loaning money on land in other States of the Union—to bring to some sort of unanimity. At present the rights of the mortgage investor vary widely. In Minnesota and other States, he has—we may almost say—no advantage whatever over an ordinary judgment creditor except a kind of priority of attachment; and in some respects has not even so much advantage, as he has practically no remedy whatever against the debtor, but only against the property mortgaged. Of this he cannot even get possession for more than a year after default, during which time the borrower enjoys the fruits of the mortgaged property, while the lender has to pay all taxes and insurance; and in the meantime the property itself goes to rack and ruin, because nobody can safely pay for repairs. In contrast to States like Minnesota and Kansas, the law of Massachusetts, is almost too harsh against the borrower; the lender being allowed to sell the property on a few weeks' notice by publication in any newspaper—a notice which may well never reach the eye of the borrower—and without any redemption. Thus it happens that a citizen of Massachusetts who lends money on mortgage may suppose he is getting the full security of the property besides a personal liability; while a citizen of Minnesota who borrows the money on mortgage knows very well that he is giving no personal security and that of the property only after much delay and expense to the borrower.

The probate and execution of wills has already been treated by the conference, and I doubt if there is anything more to do in this direction, save that all the States

might agree on the same. It is clear that the general law regulating the interpretation of wills is in most of the States *judicial* (or court-made) law, and may not wisely be interfered with by statute. For the same reason as in the case of the descent of land, it would not probably be wise for the national conference to attempt to interfere with the laws concerning dower, or the widow's or husband's rights in property. In some Western States, following the old New York colony law, there is a community of property in the husband and wife, an institution which is peculiar to them; and which, I believe, works very well. It would be useless to advise them to give it up, while the older States would probably be slow to adopt the novelty.

When we come to personal property, however, there are many more subjects which may wisely be treated. For instance, the general law of choses in action, of the assignment of personal contracts, pledges of stock, bills of lading, warehouse receipts. Georgia and one or two other States have adopted a complete code on the subject of contract—that of Georgia following Mr. C. C. Langdell's work; but I think the bulk of legal opinion is still against general codes; and for this reason, if for no other, the conference will not recommend it.

On the other hand, the statute of frauds is already so nearly identical in all the States, that it would require hardly an hour's work of a skillful draughtsman to make it actually so, and this should certainly be done. The same may be said of the law of limited partnership, or warehouse receipts, factors and consignees' acts; and, as I have said, of bills and notes.

Laws governing the rate of interest and usury, however, must necessarily vary in the different States according as their normal rate of money is high or low. The North and East seem to be generally in favor of repealing all usury laws of any kind; but you will never get the South or West, or, as it appears, even the New York legislature to think so.

Lastly, the law of corporations is undoubtedly one of the

subjects most needing uniformity; but, with the exception of marriage and divorce, there is no subject wherein uniformity is more hopeless. The laws of adjoining States vary from laxity to extreme severity, giving corporations indefinite powers, or limiting them to hardly any. Not only that, but the law of the State of New York has recently undergone a complete and radical change from a previous law which limited corporations almost as strictly as do the laws of Massachusetts, to a law which is almost as liberal as that of New Jersey and West Virginia. Yet it seems to me that two or three cardinal propositions might be adopted in all States to the benefit of the country generally:

*First.* That the capital stock of all corporations should be paid for in cash at par, and proper State regulations made to see that this was carried out.

*Second.* That this capital should be maintained unimpaired, and

*Third.* That the indebtedness of no corporation should exceed the amount of its capital stock.

This is already the law in many States, and would inure to the great benefit both of investors and creditors throughout the Union if it could be made general.

*Fourth.* There is then the important question of the transfer of stock. I think, in view of the number of loans which are in modern times based on a pledge of stock by delivery of the certificate, that this delivery should be made, as it now is in Massachusetts, Rhode Island, and many States, sufficient to hold the stock in the hands of the person advancing the money on it as against any attaching creditor on the books of the corporation.

And, finally, it is clear to me that corporate trusts, which permit the severance of the entire voting power from the real ownership of the stock, and which result consequently in that worst of conditions—power without responsibility—should be forbidden by statute in all the States; and in the same direction that the voting upon proxies should be



strictly regulated, and that all proxies should expire—as they have to in New York—at the end of a limited and brief period. The law of New York allows a proxy to last eleven months, while that of Maine, which requires them to be dated thirty days before election, seems to give sufficient time.

In criminal law it may be doubted whether any effort to bring the States together may wisely be attempted. Yet Judge S. M. Cutcheon, chairman of the Michigan Commission, quoting from the well-known penologist, Mr. Frederick H. Wines, shows by numerous citations from criminal codes the great inequality in the punishment of the same class of crimes when committed in the several States.\* He finds, for instance, the death penalty is in force as follows: For murder in all the States except Rhode Island, Michigan, and Wisconsin; in Louisiana, for rape, assault with intent to kill, administering poison, arson and burglary; in Delaware and North Carolina, for rape, arson and burglary; in Alabama, for arson and robbery; in Georgia, for rape, mayhem and arson; in Missouri for perjury and rape; in Virginia, West Virginia, South Carolina and Mississippi, for rape and arson; in Florida, Kentucky, Tennessee, Texas and Arkansas, for rape; in Montana, for arson of dwelling by night; in Maryland, for any variety of arson. The maximum penalty for counterfeiting in Delaware is three years; in Maine, Massachusetts, New York, Florida and Michigan, it is imprisonment for life. In Missouri the minimum penalty is five years, which is the maximum in Connecticut. For perjury the maximum penalty is five years in New Hampshire, Connecticut and Kentucky, but in Maine, Mississippi and Iowa it is life imprisonment, and in Missouri it is death, if the witness committing perjury thereby designs to effect the death of an innocent person, while in Delaware the crime is so lightly regarded as to be punishable only by a fine of not less than \$500 nor more than \$2000.\*

\*Publications of the Michigan Political Science Association, No. 3, p. 1, December, 1894.

But among all the subjects considered that of marriage and divorce arouses the greatest difference of opinion, and this is obviously the most important subject with which the commissioners can deal, while it is also a subject with which they are expressly directed to deal. The present movement itself grew largely out of the efforts and agitations of the several State and national divorce and moral reform leagues. There is no subject upon which uniform law has been so much desired, and none in which any definite uniform statute will be so much criticised; yet, the statutes creating all these State commissions ordered them to take up the subject of marriage and divorce; and some progress, even in these subjects, has been made. The conservative distinction here would perhaps be that so far as the *forms* go, the ceremony or want of ceremony, the perpetuation of evidence of marriage, and so far as the mere procedure, service of process, jurisdiction, and effect of divorce are concerned, a uniform law may hopefully be attempted; but when it comes to legislation on the *causes* which are sufficient for divorce, on the existence of divorce itself, and the nature and restrictions of the marriage contract—these matters go too deeply into the essentials of life to be taken out of the regulation of the States for themselves, even by a voluntary and concerted action on their part. As all shades of opinion are doubtless represented in the United States, from those who would have no marriage, those who would have it an ordinary civil contract, revocable like other civil contracts by consent of both parties, to those who would have it a sacrament, a state or a finality, so most of these opinions were represented in the conference. The only subject upon which the conference really agreed was that it should at least be made perfectly clear in every State what a marriage is, when it happens, and how its evidence shall be perpetuated.

The special point about which the tide of discussion ebbed and flowed was the so-called "common-law marriage," or Scotch marriage, marriage by consent, marriage *de facto*, or,

as the extreme conservatives would call it, marriage which is not marriage at all. A strong general prejudice in the South and West in favor of making marriage as easy as possible was met by an equally strong determination in the North and East that people who were about to marry should understand and realize the fact at the time that so important an event in a man's life should at least leave behind it some trace which could be a test to his collateral heirs, his descendants, his widow, and most particularly to his later alleged wife. The common-law marriage, or marriage by mere cohabitation, was declared ingrained in the manners of the people of one section of the country, while the necessity of a church ceremony, or at least some civil act adequately representing it in formality, was declared equally a corner-stone of the civilization of the Puritans. It was, perhaps, a depressing inference to draw that the chief anxiety of our older civilization appeared to be how to avoid marriage, while that of the newer country was rather how most easily to incur it. It may well be imagined that the conference wisely abstained from recommending anything radical on the subject. Recognizing the impossibility of keeping the sexes entirely apart, the conference only endeavored to devise a means of making the parties clearly state under what relation they came together. The result was the following resolutions, which were adopted on the subject of Marriage and Divorce:

#### MARRIAGE.

*"Resolved,* That it be recommended to the State Legislatures that legislation be adopted requiring some ceremony or formality, or written evidence, signed by the parties, and attested by one or more witnesses, in all marriages; provided, however, that in all States where the so-called common law marriage, or marriage without ceremony, is now recognized as valid, no such marriage, hereafter contracted, shall be valid unless evidenced by a writing, signed in duplicate by the parties, and attested by at least two witnesses.

*"Resolved,* That we recommend to the several Legislatures further to provide that it shall be the duty of the magistrate or clergyman



solemnizing the marriage to file and record the certificate of such marriage in the appropriate public office.

*"Resolved,* That in cases of common law marriages, so-called, evidenced in writing, as above provided, it shall be the duty of the parties to such marriage to file or cause to be filed such written evidence of their marriage, in an appropriate public office, within ninety days after such marriage shall have taken place, and that a failure so to do shall be a misdemeanor.

*"Resolved,* That it be further recommended to the Legislatures that in case the certificate last mentioned be not filed as aforesaid, or if no subsequent ratification by both parties, evidenced as aforesaid by like writing, be filed, then neither party shall have any right or interest in the property of the other.

*"Resolved,* That we recommend to all the States that stringent provision be made for the immediate record of all marriages, whether solemnized by a clergyman or magistrate, or otherwise entered into, and that said provisions be made sufficiently stringent to secure such record and the full identification of the parties."

It was strenuously declared—and this at least seemed to meet the general approval—that a person who incurred the obligation of marriage should surely be required to go through the same formality required of him when he obligated himself for goods and merchandise to a greater value than ten pounds sterling. Accordingly, it was declared that a marriage without minister, ceremony, or witnesses, without bell, book and candle, without record and without acknowledgment, should at least be evidenced by a scrap of paper signed by both parties, so that the question, if it ever came to trial, might be transferred to the simpler studies of forgery rather than the more complex investigations of what Solomon termed the ways of a man with a maid. And the New England delegates further carried their point to the extent of getting a recommendation, in the form of statute, to all the States that provision be made for the immediate record of marriages, however solemnized, or when not solemnized at all,—it being held by them that the question of matrimony was of greater general importance even than that of the proper ownership of an acre or so of wild

land. These matters were pretty unanimously passed; but when the much-vexed question of the age of consent, so-called, arose, there was, after the most heated debate, very far from a decided vote upon the question. Many of the commissioners were unwilling to touch upon the subject at all. Others said that they were particularly charged by their State legislatures to take action upon this, and that on no other one thing was there so great a public expectation that something should be done. Attention was duly called to the fact that the very words, "age of consent," may mean entirely different things, according as the statutes or laws of a State regard the breach of this provision. For instance, it makes a great difference whether an attempted marriage between parties, one of whom is under the age of consent, is to be declared no marriage at all, even when followed by the birth of children, or whether it merely subjects the elder party to a sort of judicial reprimand, or renders the magistrate or clergyman liable to a five-dollar fine, or enjoins upon him the duty of not marrying them unless one or both parents be present.

The conference recognized this difference, but still decided that they could not presume to go into the manner in which separate States interpreted their own regulations; and the debate was limited to the fixing of the age of consent, without deciding what the term meant. All classical literature would appear to show that the age of consent, from the Garden of Eden down, would necessarily and solely mean that age at which the woman consented; and certainly the descendants in all cases would strenuously stickle for that theory, it being equally in accordance with common-sense, the Bible, and the manners of the most polite courts. Nevertheless, all the States of this country, and indeed the common law, have established an age of consent. The common law takes the liberal latitude of anything above twelve and fourteen. Now there is undoubtedly a very earnest desire on the part of many of our best people—many of those whose

wishes are most to be considered in matters of this sort—that the common law rule should be made less liberal. Probably no one would wish to put it higher than eighteen in the woman and twenty-one in the man; but from within this range there are many opinions for all possible ages.

As a result, the conference suggested the age of eighteen in the male, and sixteen in the female. Undoubtedly there are climatic reasons for not making this rule the same in all parts of the country; nevertheless, the difficulty of establishing a sort of Mason-and-Dixon's line on the ability to marry will be obvious to the most flippant observer. The recommendation, as a recommendation, does no harm; but the reader will probably think that it had better stay a recommendation, that the several States, while perhaps increasing the common law age, should nevertheless be left to determine such precise needs as their own experience warrants, and that in all States no marriage should be impeached for non-age which is followed by the birth of a child. One may apprehend in all seriousness that the question of marriage and divorce cannot be settled. This is not saying that it is not well to agitate it and improve the laws where we see them at fault,—notably in matters of divorce; and on this point the conference made the following recommendations:

*“Resolved,* That it is the sense of this Conference that no judgment or decree of divorce should be granted unless the defendant be domiciled within the State in which the action is brought, or shall have been domiciled therein at the time the cause of action arose, or unless the defendant shall have been personally served with process within said State, or shall have voluntarily appeared in such action or proceeding.

*“Resolved,* That where a marriage is dissolved both parties to the action shall be at liberty to marry again.”

This will at least prevent what is undoubtedly the greatest abuse now, namely, the procuring of divorces easily and without publicity in foreign States, which have no proper jurisdiction, and without notice to the defendant party, who is usually, in such cases, the innocent party. But it would



seem that the question of marriage is one which not only varies at a given time in different sects, in different communities, in different civilizations, and in different races, but is one upon which any one community is not at a point of stable equilibrium. Unquestionably this most important relation is undergoing a change, a change at least in the point of view from which it is regarded, if not in the statutes embodying it. Democracy, the modern view of property, the other modern movement,—which only began with Mary Wollstonecroft in the early part of this century, and is known as the emancipation of women,—is certainly, in its last result, not going to leave the relation of the sexes where it found it. And, yet, so far, there has been on the statute book very little change. All the debates of conferences such as this, while interesting, as the conversation of any intelligent person must be on this subject, are nevertheless entitled to little more consideration than—perhaps not so much as—that great unconscious public sentiment, which does not rise to that point of conscious intellectual consideration, but which, behind the manners and movements of mankind, dominates the action of humanity, forms society, and only afterward appears in laws and statutes.

FREDERIC JESUP STIMSON.

*Boston.*

## STATE SUPERVISION FOR CITIES.

"Home rule for cities" is sometimes advocated on the plea that a city is not a public but a business corporation. The latter is based on a contract between the incorporators and the State, which cannot be granted, altered or revoked without the consent of the corporation, except where such power is reserved or the charter is judicially forfeited. A public corporation, on the contrary, is a branch of government, created for public and social purposes to facilitate the administration of government. It is not a contract, and "the power of the legislature over such corporations is supreme and transcendent; it may, where there is no constitutional inhibition, erect, change, divide or even abolish them at pleasure, as it deems the public good to require." \*

Whatever may have been its position in the time of the mediæval guilds, in our day, a municipality is not a private or merely business corporation. It possesses the powers of eminent domain, taxation, legislation for the protection of life, property, health; it affords poor relief, furnishes free education, and enforces its regulations through the courts and the police. It is based on the compulsory principle of sovereignty, and not the voluntary principle of free contract. Its functions are public and not private, political and not mercantile, and, therefore, the legislature, representing the sovereignty of the people, should have sovereign control over the city.

But legislative interference with municipal politics works serious evil. The time of legislators is diverted from general to special laws. The legislature is overrun and controlled by city bosses and the lobbies of saloon-keepers, gamblers and corporations. The cities themselves are governed by an irresponsible outside authority; † municipal

\* Dillon, "Municipal Corporations," Vol. I, p. 93.

† Goodnow, "Comparative Administrative Law," Vol. I, p. 224.

politics are identified with State and Federal politics ; the feeling of local independence and responsibility on the part of the voters is destroyed.

The principle of legislative control is sound, but plainly the legislature itself is not in a position to exercise that control. Home rule, however, is not the sole alternative. The cities of Missouri, California and Washington are, it is true, empowered to form and adopt their own charters,\* but in the first two States there must be a subsequent ratification by the legislature. In Washington ratification is not required, but there can be no doubt that in case of conflict between municipal and general laws the courts would sustain the latter, and therefore the legislature would continue to control the cities, as it does in other States, through the judiciary.

The example of foreign cities, especially those of Germany, has been frequently cited on behalf of the movement for home rule. But foreign cities are neither as democratic as ours, nor do they really possess the powers of local sovereignty demanded in America. If the "three-class" system of Berlin, giving, as it does, the control of the city to only the very wealthiest of the property owners, were operative in New York, the city would be governed by probably less than five per cent of its present voting population. Such a government could be trusted with autonomy, so far as economy and efficiency are concerned ; indeed, it would be a government based on the principle of private business corporations instead of that of political corporations. Even in England and France the suffrage does not reach out to the loafer, pauper and semi-criminal class as it does in the United States. And still further, in no foreign city can there be found the heterogeneous alien population which in many American cities furnishes a majority of the voters. The ignorant, foreign, unpropertied and corrupt elements

\*See "Home Rule for Our American Cities," by E. P. Oberholtzer, *ANNALS*, Vol. III, p. 736, May, 1893.



are as yet too powerful in America to be trusted with unrestricted local rule.

Though foreign cities do not feel the hand of the legislature, yet they are placed under a far more effective control—that of the state central administration. In France, with the widest suffrage among the great nations of Europe, this central control is carried to the extreme, the government of Paris being administered by two appointees of the President of the Republic. In lesser cities, where the mayor is elected by the council, he, as well as all other officers, may be removed or suspended by the prefect of the department, who is in turn the appointee of the President. The only parallel to this in America is the government of the city of Washington, where even the extreme centralization of France is exceeded, since not even an advisory council can be chosen by the residents of the city. Congress enacts all laws for the city, but the entire administration is in the hands of three commissioners appointed by the President of the United States. Washington furnishes a bright contrast to the gloom of American city politics; its government is strong, efficient, honest and progressive, but it is also irresponsible, undemocratic, and paternal. It cannot be contemplated for other cities.

In Germany the fullest powers of self-government are given to cities but the central administration always retains the right to veto the choice of officials, and there are very important organs for inspection and appeal. The main advantage of administrative over legislative control is there well exhibited. Such control being always ready for action is seldom compelled to act. For this reason the mistake is sometimes made of assuming that German cities are subjected to no state control. In Berlin the state authority (*Oberpräsident*) appointed by the sovereign has extensive powers. Not only may he insert items in the budget and collect taxes to meet the same if the council should refuse, but he may even dissolve the council and order a new election.

During the interval commissioners appointed by the Minister of the Interior manage the local government. But, notwithstanding this most extended right of control, "no occasion for its intervention arises," \* since the *Oberpräsident* who is always at hand, is always consulted before action is taken on important matters, and thus any conflict is avoided.

In England the Local Government Board is an important wheel in the government of cities. Its president is a member of the cabinet, sits in parliament, and receives a salary. The Lord President of the Council, all the Secretaries of State, the Lord Privy Seal and the Chancellor of the Exchequer are *ex-officio* members. The work is done by the president and salaried officials, who are financiers, medical men, architects, engineers, and other specialists holding office on permanent tenure. This board was created in 1871 by the union of the poor-law board with that of public health. Its functions are : (1) To advise local authorities and parliament. All local and special legislation to be presented to parliament must first pass under the inspection of the board, whose recommendations are usually adopted by parliament. In America this class of laws consumes one-half to two-thirds of the time of our legislatures and results in endless log-rolling. (2) The board is given complete administrative and financial control over poor law and sanitary authorities extending even to the removal of officers and the administration of local affairs by a temporary commission with power to levy and collect taxes. The educational department of the privy council has similar power over local school boards. Over municipalities proper the Local Government Board has a direct control only in the more important financial transactions. The board prescribes forms and particulars for returns to be made yearly by town clerks, giving the receipts and expenditures of the municipal corporations. These returns are published and laid before parliament. Throughout

\* Report of Mr. Coleman on the Municipal Administration of Berlin, Foreign Relations, Executive Documents, Vol. I, 1881-82.

the entire Municipal Corporation Act of 1882 the existence of the Local Government Board is recognized as an essential part in the constitution of city governments. The following facts illustrate its financial control: In 1892 the board sanctioned several hundred separate loans of municipal corporations and urban sanitary authorities to the aggregate amount of £7,967,975, fixing the dates of repayment at ten to thirty years, and granted eighty-two "instruments" approving of transactions such as "sales and leases of corporate property, exchange and purchase of land, appropriation of land, the application or investment of moneys arising from the sale of land, and the appropriation of the proceeds of the transfer of government stock or annuities." The careful supervision given by the board in the matter of indebtedness, is indicated by the following passage from the Annual Report to Parliament for 1892-93: \* "It has been our practice to provide against any diminution of the municipal inheritance by requiring the sum advanced to be repaid within a certain number of years, with interest, from the fund or rate on which the expense would otherwise have fallen. The sums thus repaid, as well as other capital moneys payable to corporations in respect of the sale of land or similar transactions, have generally been required by us to be invested in government annuities. In some instances the disposal of property has been in consideration of perpetual annual ground rents; and in others we have not inserted in our instrument approving of the alienation of the property any instructions as to the appropriation of the proceeds, the latter being reserved for subsequent directions."

It may be thought that, with the central control limited to only one or two features of municipal finances, the cities of Great Britain are models of local sovereignty; yet when it is remembered that the expensive departments of poor relief, sanitation and education, which are under complete administrative control, are not combined with the municipal

\* Page xxix.



government proper, but are organized as separate corporations, and that the police and judiciary are effectually subordinated to central authorities, it will be understood that to only an insignificant portion of municipal government in England is vouchsafed the questionable boon of unrestricted home rule.

In the United States there has been a variety of experiments in State administrative supervision and control over local authorities, especially in the matters of health, charities, prisons and taxation. The movement is as yet but tentative. Local officers are treated with consideration. Little is asked from them, less is commanded, and almost nothing is enforced through the effective agencies of penalties, suspensions and removals. But the nature of the movement is worthy of attention and it may reveal hopeful possibilities.

The earliest and most essential State control is that exercised by State boards of health. The Iowa law of 1880 is typical. The governor appoints the State Board of Health which consists of the attorney-general (by virtue of his office), one civil engineer and seven physicians, who receive no salaries. The board in turn appoints a salaried secretary who must be also a physician. It has authority to make rules and regulations and sanitary investigations, and it is "the duty of all police officers, sheriffs, constables, and all other officers of the State, to enforce such rules and regulations, so far as the efficiency and success of the board may depend upon their official co-operation." The mayor and aldermen, who act as the board of health in incorporated cities, are required to enforce the regulations of the State board. In Indiana the law goes still further and provides a penalty for disobedience, which may not exceed \$100 upon first conviction before a court or jury, but to which, upon second conviction, imprisonment for ninety days may be added. In case of epidemic the State board may take entire charge of the local health administration.

State boards of charities and corrections have been called

into being expressly to overcome the indifference, ignorance, corruption and brutality of local officers in the care of the poor, and also to aid in the control and administration of the State charitable and penal institutions. Previous to the creation of these boards, county almshouses were almost everywhere in the condition of the Albany City Almshouse, described by Mr. Letchworth,\* as notorious for "utter indifference to sanitary laws, promiscuous association of young and old of both sexes, disregard of the rules of common decency, brutal treatment, dirt, cold, foul air, putrid meat, insufficient clothing." The failure of uncontrolled local government in poor administration had become profound and dangerous. To-day wherever State boards have been established, these conditions no longer exist. In the words of General Brinkerhoff, Chairman of the Ohio Board: "Substantially everything in the way of progress in the development of our charitable, correctional and benevolent institutions has originated with the Board of State Charities, and hardly a year has passed in which a step forward has not been taken in legislation through its influence."

These boards are now established in eighteen States. Their organization, powers and duties are widely different. It is not possible to enter here into a detailed comparison of the different boards, but as a result of the widely different experiments, the following conclusions † appear to be substantially agreed upon by the leading students and administrators of charities and corrections. The members should be appointed by the governor, from the two leading political parties, for a term of six to eight years. A long term gives opportunity for knowledge, experience and a continuous policy, while reducing the influence of politics. There should be from five to nine members, the governor of the State acting as *ex-officio* president, in order to increase its influence and the force of its recommendations to the legislature.

\* Twenty-sixth Annual Report, State Board of Charities of New York, 1892.

† Stated by Mr. Letchworth in the New York report already cited.

Members should receive no compensation except for actual traveling expenses. The secretary should be appointed by the board and should receive a salary fully commensurate with the ability required, and the responsibility of his work. He is the expert of the board, usually a high authority on questions of charity and penology, and should be liberally supplied with clerical help.

It is quite evident that in the fundamental matter of taxation where local divisions are called upon to make common contributions to State expenses there must be direct State administrative control over the local taxing authorities. Otherwise localities are able by undervaluation to escape their fair portion of State taxes. To meet this evil and also to furnish a board of appeal for aggrieved taxpayers, as well as a board of assessment for certain classes of corporate property, twenty-five of the American States have created State boards of equalization and assessment. As agencies for equalizing taxes these boards have been unsatisfactory because their task is an impossible one. Yet in this and other things they have achieved some success, and, since scarcely two boards are constructed in the same way, a comparative study throws considerable light upon the best methods of selection. Probably the most inefficient board in the country is that of Illinois, where the board is composed of one member from each congressional district, elected by popular vote. The board which can show the best results since its creation in 1891, is that of Indiana, consisting of five members, the governor, auditor and secretary of state *ex officio*, with two salaried commissioners appointed by the governor, from different political parties, for a term of four years. The latter members, perform the expert administrative work of the board, while the *ex-officio* members give it high standing and authority. The duties of the board are to prescribe forms of assessment books and blanks for township and county assessors, to construe the tax and revenue laws of the State; to see that assessments of property are



according to law ; to have original jurisdiction in assessing railroad property ; to see that all taxes due to the State are collected ; to enforce penalties upon violation of revenue laws ; to study different systems of taxation and to recommend changes to the legislature. Its powers are far-reaching. It may subpoena and examine witnesses ; administer oaths ; demand access to books or papers of any corporation ; fine persons who disobey subpoenas ; receive and decide appeals from county boards of review. In the assessment of railways it is bound by no statutory rules, and its powers are discretionary. In the first year of its existence it raised the valuation of railways from \$69,000,000, as established hitherto by the thousand township assessors of the State, to \$160,000,000, an increase of 130 per cent. This startling result, and incidentally the comprehensive powers of the board, have been recently sustained in a notable decision by the Supreme Court of the United States.

Coming yet more closely to the question in hand, the States of Minnesota, North Dakota and South Dakota have provided an officer, the public examiner, whose duty is the direct supervision of certain local authorities. These are the only States in the union which have taken any steps in this direction. The experiment, so far as it goes, shows decidedly good results, and should be brought to the attention of the law-makers in other States. Minnesota is the pioneer in the movement, her statute having been enacted in 1878, while the Dakotas copied the Minnesota act upon their admission to statehood.

The Minnesota law of 1878 provides that a public examiner shall be appointed by the governor, who shall be a skillful accountant and who shall have power to examine the accounts of State institutions, State and county officers, and banking institutions. As respects county officers, it is made his duty to enforce a correct and uniform system of book-keeping, to expose erroneous systems, to ascertain the character and financial standing of bondsmen, and to approve or

reject such sureties, to personally visit at least once a year said officers without notice to them, and to make a thorough examination of their books, accounts, vouchers, assets, securities, bondsmen, commissions, fees, charges. Where county officers neglect or refuse to obey his instructions the attorney-general is, on application, required to take action to enforce compliance. Reports are made to the governor who may suspend or remove\* county officers for malfeasance or non-feasance in the performance of official duties.

The biennial reports of the examiner present a vivid picture of the need for such an officer, of the difficulties encountered and of the increasing benefits of the law. County officers were found to be derelict in their duties, books and accounts were confused, bondsmen were lacking, public funds were yielding large interest payments to the private purses of treasurers, several commissioners, auditors and sheriffs were receiving unusual and illegal fees, money was being paid out without warrants and received without records, besides numberless petty irregularities. Most of these evils were corrected within a few years, notwithstanding the fact that the examiner has never been granted adequate clerical help. In 1878 only seventeen counties received interest on public funds, to the amount of \$7000. In 1886 fifty-seven counties received \$29,000. This item alone recompenses the State beyond the expenses of the examiner's office. In the early years of the statute the examiner secured the suspension of several county officers for incompetence and malfeasance. "The salutary effect of these removals," says the report of 1880, "has reached far beyond the offenders immediately concerned. There has been a general toning up of officials to resist the incipient encroachments upon the treasury which are the sure foundation of future troubles."

Not the least important result of the office has been the information given to the legislature and the public upon the defects of the laws governing county officers. Several of

\*As amended by act of 1881.

the examiner's recommendations have been adopted, to the marked advantage of the public service, such as amendments governing the deposits of public funds, making the treasurer as well as other officers subject to suspension, giving the governor power to remove officers as well as to suspend them, providing legal forms for official bonds, and securing checks upon, and uniform entry of, all payments by the treasurer in the auditor's office.

The Minnesota law is by no means perfect, and the examiner has been unable, mainly by reason of insufficient appropriations, to fulfill all the possibilities of his position. The law extends to county officers only and should be extended to towns, townships and cities. Other duties are assigned to the examiner, especially the supervision of building and loan associations, State banks, the State treasury and State institutions. In recent years, the examiner has been giving his attention largely to the banks. The same is true of the examiners in the Dakotas.

The extension of the examiner's supervision to cities would very naturally occur to the student of American city government. On inquiry I learn from Mr. M. D. Kenyon, the public examiner of Minnesota, that a partial trial has already been made in the city of St. Paul. He writes: "In regard to the extension of this office over city governments, I have to say that in 1891 the legislature by special enactment provided that this office should exercise its powers over the financial offices of the city of St. Paul. And while not providing for a complete audit of the business of the city, the financial plans of the various officers have been examined at considerable detail and some matters of irregularities have been gone into extensively and the public informed in regard thereto and corrections made where necessary. It would be entirely practicable to extend the jurisdiction of the office over municipal corporations by providing proper assistance.

"In the case of this city the expense was provided for in the act, to be paid for by the city at a sum not to exceed



\$600 in any one year and not more than \$6 per day for the time consumed in making examinations.

"As a matter of fact, the first examination cost something like \$300, the second the entire sum of \$600 (the examination covering a large amount of delinquent special taxes), the third \$69. It is thought that generally the expense would not exceed in the future a larger sum than \$100 per year. If the entire audit of the business were made for the year it would probably require the sum of \$600 per year for a city of this size. If practicable, the plan of requiring corporations to pay expenses of examination would be the better one, the State paying the salary of the principal officer, and the amount contributed by the corporations being used in procuring clerical help, and the limitation of the amount required from each corporation being determined by the number of inhabitants.

"After having become thoroughly familiar with matters of each municipality, they could be systematized in the same manner as we have been enabled to systematize county affairs, and the expenses kept within reasonable limit, so that they would not be burdensome."

The opinion of Mr. T. E. Blanchard, the examiner of South Dakota, is also of interest. He says: "Minnesota and North Dakota have offices almost exactly similar to the public examiner in this State. I know of no other which embraces the same idea. The States very largely have some kind of supervision of banks. The plan of central control of counties and public institutions works admirably wherever tried. Besides systematizing the system of acts it saves many times the amount it costs. Much money could be saved to the public if something of the kind could be applied to city and township governments, as I believe there are more irregularities and defalcations in these than in counties, because the people have less access to them, and crookedness and mismanagement are more easily concealed."

Finally, experiments in civil service reform seem to indicate that if American cities are to rid themselves of the spoils system, they must call to their help the State administrative authorities. In European cities civil service regulations, examinations, appointments and removals are nearly all in charge of the heads of departments immediately concerned. The "Civil Service Commission" is unknown to their administrative economy. But in the United States where the heads of departments, both in federal and municipal politics are usually political officers in the partisan sense of that term, it has been found that if appointments are to be made on the basis of merit and efficiency they must be made under the supervision of a "non-partisan" board or commission. The operation of this principle in federal appointments is well known, but its application to cities has not proven a success. Philadelphia and Brooklyn have municipal commissions which are reported to be wholly unsatisfactory. But Massachusetts, apparently, has pointed the way to a successful merit system for cities. The Massachusetts Civil Service Commission is a State board. It has supervision over the appointments of officials in both State and municipal service. It consists of three commissioners appointed by the governor, for a term of three years, receiving \$5.00 per day of actual service, though the work of the commission is mainly performed by a chief examiner and a secretary assisted by local registration clerks and examiners. Competitive and non-competitive examinations are held by the board, and certificates of eligibles are made to the heads of municipal departments on requisition by the latter. Three names are certified for one vacancy, four names for two vacancies, five names for three vacancies, and so on. Appointments can be made only from these certified lists, the heads of departments retaining, however, full power to discharge employes. The law applies to clerks, laborers, firemen, policemen and truant officers, but not to heads of departments or confidential appointees. The legislature almost yearly extends the

classified service, and cities may secure still further extension by petition to the commission. The results in Boston are increasingly satisfactory. That public service in the humbler positions is becoming more permanent is shown by the fact that the number of laborers discharged fell from 1116 in 1887 to 446 in 1893.

These experiments in central administrative control of local governments in the United States will recall to the student of English history the manner in which the present Local Government Board originated. Previous to the year 1871 separate and almost independent authorities exercised some control. The Poor Law Board was created in 1834. The Home Office, the Privy Council and the Board of Trade shared such control as existed over sanitation and local governments. The law of 1871 gathered together this scattered superintendence of local affairs into the hands of the Local Government Board. Paralleling this course of development it may eventually come about that American States will combine in one central board the disconnected functions of the several organs already described. But for the control of municipal corporations, which might well be extended to counties and townships, the following scheme is suggested:

Cities should be granted home rule and greater freedom from legislative interference, but not as unrestricted as that vouchsafed by the State of Washington. The legislature should not be deprived of the power of enacting general laws governing municipalities.

A State Municipal Board should be established. It should be composed of the governor, attorney-general, and auditor, by virtue of their offices, and from six to ten unsalaried citizens in equal numbers from the two principal political parties, one of whom should be appointed each year by the governor for terms of from six to ten years. If it should be thought wise in some States to make the board entirely non-partisan,—or rather bi-partisan,—the proposed *ex-officio* members might be dropped. The board should meet



monthly, but its administrative work would be done by salaried experts receiving good salaries and appointed to office by the board during its pleasure.

1. The duties of the board would be: *Supervisory* and not administrative. It should not have power to discipline, remove or suspend officers. Its only control over them should be to make recommendations to the governor, who in turn should have discretionary but plenary powers to suspend or remove such officers. In case of removal the ordinary local machinery of election or appointment should alone be called upon to fill the vacancy.

Two advantages would be gained by such limitations upon the power of the board. Having no official spoils to distribute, it would not become an object of political ambition, and it could not relieve local communities from responsibility for their own government.

2. An Auditing Department, composed of experts, should prescribe a system of municipal bookkeeping and should examine the books of city officers at any time, without notice. Full examinations and reports should be made at least annually, giving comparative standing of all cities in the more important financial items of expenditures, revenues, taxes, tax rate and debt.

3. A Civil Service Department should have charge of examinations and certifications for the civil service of cities, as in Massachusetts.

4. The approval of the board should be required for all bonds and contracts, and financial measures to insure the observance of the legal debt-limit, and to protect the city's interests.

5. The board should conduct local investigations of complaints and abuses similar to those now held by legislative committees, and should publish testimony and findings. The board should have full power to summon witnesses, administer oaths and inflict penalties for contempt.

6. It should report to the legislature a full account of the work of the board, pointing out with recommendations

for amendments any defects in the laws governing cities and prescribing the duties of officials. The advantages of this plan of administrative supervision may be briefly summarized.

1. The State Municipal Board is the *agent of the legislature*. It can be created without constitutional amendment. It is a recognition of the legislature's sovereign control over municipalities, but also of the legislature's inability to wisely exercise that control without expert advice. The annual and special reports of the board are the indispensable basis for accurate legislation. The temptation and excuse on the part of partisan legislators to interfere with local government because of alleged evils is removed.

2. Men of the highest character can be enlisted in the public service. This has been the case almost universally in State boards of charities. The unsalaried members of these boards are noted for their integrity and public spirit. It is in imitating their organization that we may hope to find a plan already tested and adapted to American conditions. The paid professional agents, the specialists and experts, appointed to perform the administrative duties of the municipal board would become the first authorities in their respective subjects to be found in the country. This is true to-day of the secretaries of our best State boards of charities and corrections, several of whom are world-wide authorities on both the scientific and practical sides of penology and charities. The State Municipal Board would provide a similar professional field for our highest practical authorities on city administration.

3. Administrative supervision reaches the *acts* of officials rather than their persons.\* Unlike the legislature or the judiciary it is always ready to act. It precedes rather than follows. It *prevents* corruption rather than punishes it. Yet in the United States this control can be neither as centralized nor as powerful as in France or Germany. It must

\* Compare Goodnow on Administrative Jurisdiction, in "Comparative Administrative Law," Vol. II, pp. 191-2.

be supervisory in character, and if local officers are to be removed or suspended, such power should be entrusted only to the governor, as in Minnesota.

4. It is in the power to make local investigations of corruption, excess of power, negligence and inefficiency, that the greatest strength of the board resides. The grant of this power recognizes the fact often cited, but not fully utilized, that ours is a government by public opinion. This is an extremely delicate kind of government, but at the same time thoroughly efficient if the proper organs are devised. Public opinion requires publicity. It is founded on knowledge. At present it works too often in the dark, because this knowledge is not timely, adequate, nor certain. Provide the machinery for furnishing the people with accurate, reliable, expert information, and they can then govern themselves.

Here again the State boards of charities and corrections have fully demonstrated this proposition. Suppose the charge is made, for example, that the wardens and officers of the State penitentiary are abusing the inmates, or that peculation exists in the management of the insane asylum. Formerly a partisan press took up the charges. The State institutions became the foot-ball for party politics. But now an investigation by the State board promptly informs the public upon the charges. If true, public opinion in all parties unites to enforce reform and remove the culprits from office. If untrue, the same public opinion stands by the authorities in charge, they are vindicated when most they need it, and they rest convinced that their merits and not their partisanship retain them in office.

Why will not similar machinery give similar results in city government? The Lexow investigation overthrew Tammany. Let us have a permanent Lexow committee in every State, ready to act when corruption is incipient, and not be compelled to wait till its only cure is revolution. Local responsibility can then be trusted.



## THE EXPLOITATION OF THEORIES OF VALUE IN THE DISCUSSION OF THE STANDARD OF DEFERRED PAYMENTS.

A development in one part of a science necessitates a re-adjustment of the other parts. Unsolved difficulties appear in a new light when approached from a different side. In the enthusiasm of a discovery or of a newly embraced doctrine we may easily be led to overestimate its range and bearing, though it imparts a new vigor to relaxed energies, and a new impulse to scientific investigation. The effort to exploit the newer theory of value in the contemporaneous bimetallic controversy has caused to be consciously and definitely subjected to examination something which seems to have been generally either assumed or ignored, namely, the fundamental principle according to which the equality of values at different moments of time should be determined, it being assumed that just payment consists in such equality.\*

It is our purpose to examine briefly the various principles suggested, more particularly that growing out of the application of the newer theory of value to this question. The conclusions here presented were reached in an attempt to appraise the results of a discussion of this subject which appeared some time ago in the *ANNALS* of the American Academy.†

In order to have a definiteness that debars misunderstanding contracts for the future must be expressed in terms of concrete things or acts, which may at the end of the period stand in a different relation to other goods, to productive

\* See note, p. 67.

† "The Standard of Deferred Payments," by Professor E. A. Ross, Vol. III, p. 293, November, 1892; "Theory of Final Utility in Relation to the Standard of Deferred Payments," by Dr. Lucius S. Merriam (the brilliant and promising young economist whose tragical death occurred in November, 1893, at Cornell University), Vol. III, p. 483, January, 1893; "Total Utility Standard of Deferred Payments," by Professor E. A. Ross, Vol. IV, p. 425, November, 1893.

forces or to human wants. Hence there are various answers to the practical question : What should be the standard of deferred payments? We can classify the most important as the commodity or total utility standard, the per capita population standard, the labor standard, the marginal utility standard of the feeling or satisfaction type, and the final disutility standard.

The *commodity standard* requires simply the repayment of the same quantity of certain goods as was purchasable at the time of the loan. It is now rarely used in more than one form, but that is used very extensively, namely, that of a single commodity, gold or silver, to the value of which the standard monetary unit and all other legal tender money of the same nominal value is usually made to conform very closely. It is a trite statement that it is not money, but control over capital that is loaned, that gold or silver may make no part of the goods desired by the borrower, and obtained by him with the general purchasing power. Repayment should consist, therefore, by the consistent commodity standard, in the return of an equal sum of the commodities thus loaned. But the borrower selects a very different set of goods from that which the lender will desire when the loan is repaid. The set of goods whose enjoyment the lender foregoes when he parts with the money may in the meantime undergo great changes, many goods entering which before made no part thereof. The differences which result are as numerous as the individuals concerned, and more so, because of the varying moods of those individuals. Practically therefore the only possibility is an average or typical budget of expenditure which must serve as standard for all men, but which realizes very imperfectly the ideal.

Indeed the commodity standard can hardly be said to profess to restore "equal values" with anything approaching exactitude. Yet it does not follow that a commodity standard in a rapidly advancing state of the arts involves

necessarily the return of less value, by whatever standard that value be measured. If the budget chosen as norm contain a large proportion of articles which, because of advancing industry, are falling in relative value, the creditor will receive in repayment a sum of goods which will purchase far less of the goods he probably desires than when the loan was made. But the opposite result might be secured by the choice of a different set of goods as norm. It might seem that by the selection of non-producible or less easily producible goods the same value would be returned, the other goods having fallen in value because of ease of production, whereas these goods have only relatively, not absolutely risen. This is, however, an almost self-evident error which will be more clearly seen in considering the nature of wants.

It is evident that there are grave difficulties in the statement that the commodity standard would seek to have "the price level remain the same and the relation of money to goods be undisturbed."\* The relation of money to many kinds of goods is sure to be disturbed if it is kept unchanged as to other goods. Which set therefore shall it be? We shall see whether the theories of value aid in resolving the grave practical difficulties here presented.

Something which is essentially the commodity standard has been advocated on the ground not indeed that it returns equal values, but that it returns the same "objective" or "*total utility*."† This is a return to the idea that the utility of an object is something inherent in it and remains the same under all circumstances. It is the crudest form of the commodity standard, although its champion somewhat inconsistently departs far enough from it to admit a slight change in objective utilities owing to the change in the degree of social esteem which is secured by goods at different periods. It is utterly impossible to estimate or express mathematically the total utility of a sum of goods of different kinds. The total

\* ROSS, ANNALS, Nov., 1893, Vol. IV, p. 427.

† ROSS, ANNALS, Nov., 1892, and Nov., 1893.



utility if expressed however in ordinary language gives the curious result that there may be numerous goods the total utility of each of which to a being loving life, is infinite. If a debtor could manage to return the first increment of any one of these goods, any debt would be discharged. But it is impossible under normal circumstances to pay total utilities. Unless the payee be naked and starving the sum of goods repaid represents only a utility upon the margin of his consumption list, which may vary greatly at different periods and under different circumstances. Overlooking these facts the proposed standard assumes that when goods that are already possessed in good quantity by the creditor are returned, each unit possesses all the varying grades of utility from infinity to nothing.

A diagram intended to illustrate the total utility of all goods and not merely of a single good seems therefore to have no particular meaning for the question of deferred payments. If all goods are included then there is implied the possession of an absolute standard independent of them. The total utility of a single good we have no means of expressing, we can express only the utility of the marginal increment in terms of another good at a given time and place. *A fortiori* we cannot express the total utility of all goods together, for we then have no unit left in which they can be expressed.

In the standards now to be considered there is a more distinct reference than in the foregoing to an ulterior regulator which shall make the unchangeableness of values possible.

*The per capita population standard* as advocated by the greenback party has at least a curious interest. It was proposed that the amount of currency found in circulation at the close of the war be restored and made "the permanent and unfluctuating measure of all values through all coming time, never to be increased or diminished only as *per capita* with the increase of the inhabitants of our

country.”\* It is implied that this currency would furnish “a unit of value” almost if not quite “invariable” which “should have the same purchasing power” therefore at all times. It is sufficient to remark that changing methods of exchange could affect the price-scale so that all things might be higher or lower in terms of this money though their relative position remained unchanged. This relative change would also take place and introduce many of the difficulties discussed under the commodity standard. Despite serious objections which can be made to this plan it will scarcely be maintained that the probable variations under this standard would be greater than with the gold standard in the last fifty years

*The labor standard* of deferred payments is a logical consequence of the labor theory of value, but suffers from the same infirmities as that theory. Though it is now seen that the value of the labor of different individuals is only commensurable through the value of its products, that labor itself demands a standard of value instead of furnishing it, yet it might seem that the labor of special and large classes might furnish a measure independent of goods which could well serve as the standard of deferred payments. Let us however see what the practical difficulties are in the way of returning equal values at a later period by this means.

And first, should the labor of the creditor or that of the debtor be taken as norm? The standard of deferred payments must be a general one, whereas the choice of either of these classes or any class assumes that all goods are reproducible and by all persons. On the contrary some are not reproducible at all, others by only a few men, yet any or all may make part of the list of valuable things desired. Suppose a list which is made up of all things in the proportion that society consumes them. Then for that portion of the list which has been most affected by industrial advance the debtor producer would experience no lightening of his

\* Peter Cooper's Address at Indianapolis May 17, 1876.

burden since he must give the same labor-time as before; whereas the other goods would involve an actual increase of the labor-time necessary to repay, in the degree that they were of a higher class than those which the debtor produced. The practical problem becomes more complex in view of the fact that the difficulty of repayment varies greatly among individuals not only with the efficiency of their labor, but according to their participation in rents, interests and profits. It is evident that this suggested standard offers nothing approximating a practical solution of the problem of returning equal values at a later time.

The acceptance of utility as the sole measure of value leads to the thought that in the newer theory where value is determined by the multiplication of the number of units by *the marginal utility*, is to be found the key to the solution of this problem of the standard of deferred payments.

Preliminary to the examination of this opinion let us consider the fluctuation of want-intensity and the form of notation or expression of utilities, as views on these points seem to have largely influenced the judgment on the main question.

Among the other limitations to human faculties is the inability to measure states of feeling with exactness. The experiments in physiological-psychology which appear to do so deal only with materialized manifestations. The hopes entertained early in the century of a mathematical psychology went to pieces on this rock. The psychical phenomena of wants and satisfactions, and the corresponding utilities of objects can be measured or expressed only in terms of each other at a given moment. It is often assumed that the order of satisfaction of wants by a person indicates unerringly that the goods employed later satisfy less intense wants than those employed earlier. This attempts to measure the intensity of a want or satisfaction by the scale of another time and other circumstances. Not until the old wants are in a great degree satisfied do the others receive



attention and satisfaction, but then all the soul-energies may be thrown into their satisfying. Desire may be as intense and satisfaction as great as the nature has ever experienced. The sated appetites and ennui of the worldly rich at times would seem to indicate that abundance reduces to zero the marginal utilities of all things. But the torpid savage in his squalor, or the village loafer in his needy content show that the essential thing here is not an absolute abundance but a relative abundance offered to narrow natures. The change in the scale of marginal utilities consists not only in the falling of some but in the absolute as well as relative rising of others as well as the appearance of new wants made possible by the greater degrees of satisfaction of those formerly more pressing. The degree of this rise cannot be exactly measured but the fact appears from certain psychological considerations. The scope of pressing wants is, like the scope of the consciousness and the attention, a limited one. In fact there is here more than analogy, there is fundamental connection, for a want in the economic sense is a psychological phenomenon and wants do not exist outside of consciousness. As the wants which are related to physical well-being retire from the point of clearest vision and become dimmer at the edge of the field of attention, other wants move toward the centre of the field and on them is concentrated the intensity of desire. This intensity may be even greater than in the case of those relating to the physical well-being.\*

The foregoing has its application to the question whether there can be a general fall of values or marginal utilities. We should make clear to ourselves in what sense we wish to understand the word "can" in the question. If we mean simply to ask whether such a general fall measured by an absolute standard is abstractly conceivable, the reply must be, yes; for as the height of the marginal utility is determined by the degree of the want to which it corresponds;

\* What is here stated is in essential accord with a passage quoted approvingly by Jevons ("The Theory of Political Economy," second edition, 1879, p. 46).

we can conceive all wants to disappear (as for instance by the annihilation of humanity upon the globe) and thus abstractly think out of the world all marginal utilities. A less extreme case where a general fall of marginal utilities might occur is a crisis so general and disastrous that in the discouragement and depression of mind all goods would answer to milder wants. Yet this is scarcely conceivable, since the most marked phenomenon of a panic is the intensity of the desire for money, which becomes the focus of all other wants and which therefore acquires a much greater marginal utility than usual. As usually put the implied condition, however, in the question is, "as a result of industrial advance,"\* and an affirmative answer to the question in this form implies two false assumptions, first that human nature is equipped with a limited number of surfeitable wants, and second that all goods can be affected by increased productivity. What is the fact? Ten new wants seem to spring up where one is satisfied. Upon their absolute intensity we cannot pronounce, for in their turn they are all-absorbing. Even if equipped with an absolute standard of value we should find the marginal utilities of all the reproducible articles diminishing at such a rate that total values decreased, how would the very numerous class of non-reproducible articles be affected? Their marginal utilities, far from diminishing, would greatly increase, but so long as they simply did not diminish, a general (that is, universal), fall of marginal utilities could not occur. The only possibility of such a fall even when measured by the absolute standard would be that it should come not from the side of production but from that of wants, in that as old ones were supplied no new ones arose, and at the same time the wants supplied by the non-reproducible goods *sank in intensity*.

In the foregoing we assert the abstract and extreme

\* Merriam, ANNALS, Jan., 1893, p. 91. "Such has become the command of man over nature that wants both new and old are, compared with past provision, abundantly met. If goods at last become as plentiful as air and water value will vanish entirely."

possibility of a general fall of marginal utilities as measured by an absolute standard. But one is prone to overlook the fact that no such standard is at our command. The only way of giving quantitative expression to marginal utilities which we have is to express them in terms of each other and hence any general fall of such mathematically expressed forms of marginal utilities as are accessible to us is thereby made impossible. The so-called paradox of value therefore which shows that total utility continues to increase with an increasing number of units of a good, while total value may decrease because of a sinking marginal utility, may apply to one or several kinds of goods, but cannot apply at the same time to all goods. Some are strictly limited, others affected in varying degrees by improvements, so that if the marginal utilities of two goods are expressed in terms of each other, as one becomes zero the other becomes infinite. It is the haunting spectre of the absolute standard of value that leads to the erroneous thought that the newer theory of value has changed the truth of the old maxim, "There can be no general rise or fall of values," or its newer form, "There can be no general fall of marginal utilities," when once they have left the spirit land of feeling and have been materialized in forms that are commensurable. Though the interpretation of the maxim has changed, we have not yet emancipated consciousness from its habiliments of flesh. So far from its being characteristic of the new theory *not* to measure things in terms of each other it is essential to it that in determining market values there be a comparison of things, and that of attainable and possible things. A demand exists only when something can be offered in exchange, and as to subjective valuations only those aid in determining objective values where the want-satisfying power of something disposable is compared with that of something else either in or out of the possession of the subject.

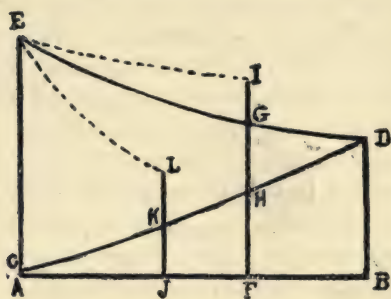
We now come to the relation of this theory to the standard of deferred payments. It seems at first glance to give a



simple and conclusive answer. For this theory points out just what value is, so that the return of equal value requires the return of a larger quantity of goods as their marginal utility sinks or the return of other goods with greater marginal utilities. What measures the marginal utilities? If one gives the answer obvious and logically required by the theory: the intensity of the desire which the creditor will satisfy with the goods, and this be measured by an absolute standard and not simply in relation to other goods, preposterous consequences are involved in its application to deferred payments. The individual's wealth would rise and fall with his changing moods from elation to melancholy, the spread of a pessimistic philosophy would be as destructive to values as the onward sweep of a prairie fire, and the repayment of the smallest sum to a man disgusted with the world and about to depart it by his own hand might be a task which would bankrupt the money kings and leave the debt still untouched and undiminished. To compare the marginal utilities at different periods of the goods enjoyed or possessed by even a single individual except in terms of the same article for whose stability in value, however, we have no guarantee, is an impossibility. Much less can we compare by the satisfaction standard the value of the community's goods in any other way than the one mentioned. Not until the unit of happiness or utility is materialized and is applicable to the measurement of the want-satisfying power of goods to different persons as well as to the same one at different times, could the marginal utility theory of value aid in the question of the standard of deferred payments.

We have said that in the return of equal values or equal marginal utilities by the newer theory, the intensity of the want satisfied would logically be the standard by which the utility should be measured. This has not always been the judgment on the matter. An effort has been made to attain by abstract reasoning to an ultimate standard of

value found in the final disutility of production\* (that is, to society) and the results have been applied to the question in hand by one accepting their validity.† This application is of course futile if the theory on which it is based is erroneous. We do not here attempt to show, as seems possible, that this unit, which is admittedly an intangible abstraction,‡ is attained by reasoning which is open to serious objections, nor moreover that it does not adequately cover the factors it professes to explain. The point which now concerns us is that one accepting it should be deceived into the belief that it furnished a means for determining, even abstractly,



whether the debtor repaid "to the creditor a value equal to the value received" as was deemed to be demanded by justice.§

It is rightly contended by the advocates of this standard that measuring values by the final disutility of production does not require the repayment of the products of equal labor-time, as does the labor standard, for in advancing society the disutility of production might equal earlier in the day the utility of it. But neither does it involve, as is assumed, the return of equal values (that is, social values, overlooking

\* J. B. Clark, in *Yale Review*, November, 1892.

† Merriam, *ANNALS*, January, 1893.

‡ "The ultimate unit of value [is, in fact, chimerical.] . . . Sound reasoning is not invalidated because there is no immediate prospect of testing the truth of its conclusions by inductive proof." *Ibid.*, p. 96.

§ *Ibid.*, p. 99.

individual variations which complicate still further the problem) as measured by the degree of satisfaction secured. The diagram represents as it were a side elevation of society according to this mode of conceiving of it. This method of illustration has become so familiar that it is scarcely necessary to explain that AB represents the duration of the working day, ED the utility curve, CD the sacrifice curve, DB the perpendicular dropped from D their point of intersection, represents the utility and the disutility of production, which are equal at this point. In the diagram employed by the father of the notion that the final disutility to society of the last period of labor is the ultimate unit of value, that unit is somewhat oddly represented by a vertical plane, not by a line. If therefore it be considered that the line BD, as also the other perpendiculars JL, FG, and FI respectively, represent the ends of plane surfaces the correspondence to the original diagram will be quite exact, and the following conclusions will be valid for planes as well as for lines. Suppose the working day to stop at F, the utility curve remaining unchanged. Then the disutility line would be FG, which to use the same terminology as the author cited, is made up of the direct final disutility or pain of labor FH, and the indirect disutility, HG, of being kept from the enjoyment of the goods already at command. The line which measures final utility therefore, FG, is greater than BD and would if used as unit involve the return of greater value. Moreover the utility curve may have changed meantime. Suppose it to have risen, for though each hour of the day is more productive than before, yet the wants supplied the last hour of this shorter working day are not necessarily as we have seen, less intense than before. Then final disutility would be the line FI made up of positive or direct disutility FH, and negative or indirect disutility HI. Values would now be measured by FI, a standard considerably greater than BD. Repayment by this standard would require the return of greater values. Again, suppose the



productivity of society to still further increase. Even with so short a working day as AJ, the goods produced might be so plentiful that the final utility of the last increment of labor might be only JL, made up of the very small amount of direct disutility JK, and the larger amount of indirect KL. The marginal utility, from which as standard, values would now be measured would be less than before, and repayment by this standard would return less value.

It appears therefore that even if "the pain suffered by society as a whole in the final periods of daily labor" be taken as "the ultimate unit of value" at any given moment, yet it is a standard which may vary greatly at different moments. It has been recognized\* that the direct disutility of labor would decrease with shorter working hours, while it was tacitly assumed that, together with the indirect disutility, it always made the standard of value of the same length. This is evidently by no means the case. The marginal utility (and consequently the values) which would be returned by this standard would not necessarily be equal to those borrowed at a former time. They might be either greater or less, but would be simply a marginal utility which is equal to the disutility of farther production at the same moment. That is the only equality involved. Between the final utilities, as between the final disutilities of different periods, there is no necessary correspondence. It is somewhat astonishing therefore that this standard should have been suggested by an upholder of the marginal utility theory of value as fitted to secure the return of equal value. This can be in part explained as an inevitable result of the abandonment of the pure form of the said theory, which explains values from the side of satisfaction, for that peculiar form which seeks to explain them from the side of sacrifice.

It appears therefore that to say that repayment of values as determined by marginal utilities is the proper criterion for the standard of deferred payments, though seemingly a

\*ANNALS, January, 1893, p. 103.

solution of the problem in harmony with the newer theory of value, is in reality the employment of a meaningless phrase of no aid to practical action. Marginal utilities at different periods remain, so far as our power is concerned, incommensurable quantities.

The foregoing reasoning leads to the conclusion that if, as has been said,\* "all parties are agreed that (just) repayment consists in the return of equal values," then a perfect standard of deferred payments is an impossibility, as the first requisite is lacking. To measure the value of things, even to a single person, we have no adequate standard independent of goods, either in labor or sacrifice, in happiness or in want-satisfying power, and a standard of deferred payments must be the same for millions of individuals, whose happiness induced by economic goods differs in degree, whose labor differs in the most manifold manner as to efficiency and quality. Armed therefore with any or all the theories of value one could still not give an answer to the question—How can the standard of deferred payments be so arranged as to cause the return of equal value? The older and inaccurate theories are of course inaccurate here. Granting the entire correctness of the newer theory, the conclusion here reached is entirely skeptical as to its throwing any special light upon the difficult practical question of deferred payments. Still we must not ignore the fact that a better understanding of the nature of value was indispensable to an appreciation of what the real difficulties of the question were. We can, however, assert with confidence, that this question has not received and is not likely to receive a positive answer from pure economic theory.

It may be well again to recall the fact that the question under discussion originated as a phase of the very concrete and practical bimetallic controversy. The immediate purpose of this paper is accomplished if there has been emphasized the truth that the answer is not found in a formula

\* ROSS, ANNALS, November, 1892, p. 41; MERRIAM, ANNALS, January, 1893, p. 100.

which it is admitted can have no practical application to the world we live in. No one of the various methods suggested of attaining a just standard of deferred payments by returning equal values at a later time can lead to the result. There naturally occurs therefore the still more fundamental query—Even if the impossible could be attained, is it self-evident that the return of equal values would constitute just repayment? What is the standard and criterion of justice in this matter?

To answer this question, which the foregoing discussion, so far as it is deemed valid, must seem to render more than ever a riddle, lies beyond the purpose of this paper. It may not, however, be amiss to indicate the direction in which it seems probable that the answer must be sought. A standard of deferred payments which shall never work hardship to any individual must be recognized as unattainable. The most just and most nearly ideal standard to which society can remotely hope to attain is one where, consistent with the minimum of discouragement to both debtor and creditor because of the terms of the contract, the greatest available foresight is employed to ensure that the benefits of industrial advance shall on the whole go to those classes in whose encouragement and economic growth society has the greatest interest.

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## THE INDUSTRIAL SERVICES OF THE RAILWAYS.

Railways are essential to almost every form of industry. Our present industrial organization is based upon the possibility of moving large quantities of freight long distances at cheap rates. The freight thus carried is not only that which is light and of great worth, but also that which is bulky and of low value. The character of our industry is at every point conditioned by the fact that we are able to supply our manufactories with crude materials obtained hundreds and thousands of miles distant. Improvements in transportation have enabled us to sell our finished goods wherever they may be in demand; we are to-day producing for a world market. We accept these things so much as a matter of course that we have no little difficulty in picturing to ourselves what was the character and what were the methods that obtained in business before the railroad made its appearance. The industrial revolution has been a complete one, yet the railroad is barely two generations old, and, indeed, it is scarcely more than one generation, that is, since 1850, that the railroad has become of sufficient extent, and the traffic upon it has attained sufficient magnitude to give to this agent of transportation the power fundamentally to transform the industrial life of the world.

Andrew Jackson was elected President of the United States in 1828, an important year in the history of American railways. It was then that the construction of the Baltimore and Ohio was begun and the Delaware and Hudson company's gravity line connecting Carbondale with Honesdale, Pennsylvania, was completed. Jackson's administration was in many ways significant in the history of the United States. Great changes were wrought in the political institutions of our country during the eight years of what Professor von Holst has happily characterized as "the reign of Andrew

Jackson." Industrial affairs underwent a far greater transformation. Jackson's administration was the period of America's industrial revolution. It was a revolution in many ways analogous to that which took place in England fifty years earlier; its immediate changes were quite as important, and its ultimate effects quite as far reaching. In politics the change was one which brought the administration and management of the government into the hands of the representatives of the common people. The conservative, aristocratic classes gave place to the democratic masses in the control of the affairs of state. Jackson's political creed was *vox populi, vox dei*. In industrial matters, the fourth decade of this century witnessed a revolution of still greater significance. The movement of the population into the Western States was rapid and speculation in public lands became rife. The several States began to engage largely in works of internal improvement. All of these things were greatly stimulated by Jackson's war on the Bank of the United States, resulting in the withdrawal of the deposits of the United States government from that safe institution and their transference to the unsound speculative State banks of the West and South. Spurred on by the speculation in Western lands, allured by the prospect of obtaining the deposits of the United States government and of securing the surplus revenues which the United States began to distribute at the beginning of 1837, the banking institutions in the States multiplied swiftly and dangerously inflated the currency of the country. This speculation and inflation of the currency inevitably led to the panic of 1837; but the seven years which preceded the crash were characterized by intense business activity.

Nothing shows this fact better than the list of inventions made during and shortly after that time. In 1836, the use of anthracite coal in steam engines was shown to be practicable; the screw propeller was invented shortly afterward, and by 1838, the navigation of the ocean by steamships had

become an accomplished feat. Another use to which anthracite coal was first put in 1836 proved of still greater influence upon our economic development. I refer to its use in the smelting of iron. From the introduction of anthracite coal into the blast furnaces is to be dated the important development of the iron industry of this country. England began to substitute bituminous coal and coke for charcoal in the manufacture of iron at the middle of the last century; we in this country, however, were not able to avail ourselves of this cheaper and better fuel because our iron furnaces were separated from our bituminous coal beds by the Alleghany Mountains, which imposed a physical barrier greater than could then be overcome by the means of transportation employed in the carriage of coal. We did not begin to manufacture pig iron on a large scale until we began to use coal mined in close proximity to the iron furnaces. This, of course, was anthracite coal. Among the other important inventions made during the fourth decade were the reaping machine brought out by McCormick in 1834, and the steam hammer given to the world by Nasmyth in 1838.

The mere mention of these inventions of manufacturing and agricultural machinery is sufficient to show with what feverish activity the pulses of business must have throbbed during this decade of industrial revolution. Naturally enough the business world over-reached itself and the crisis of 1837 resulted. How the financial blunders of Jackson and Congress precipitated this panic and added to its intensity are well-known matters of history. Great as was the crisis, however, it was able to produce only a temporary halt in the rapid reorganization going on in the business world. Industry and trade had again reached a sound basis at the beginning of the fifth decade and the leading features of our present industrial organization began to be manifest.

Accompanying and stimulating these industrial changes of the fourth decade was the revolution which then took place in the means of transportation. The introduction of



the railroad marks the fourth phase in the evolution of the transportation system of this country. Forty years previous turnpike companies had begun the improvement of our country roads. Twenty years before the advent of the railroad the steamboat began to ply the waters of the Western rivers and aid the settlement of new lands. During the same period the construction of canals and the improvement of rivers had been doing something to make agricultural products, raw materials, and manufactures marketable at more distant points. Then, in 1830, the railroad took its place in the system of transportation, and soon demonstrated itself an efficient agent for the promotion of industrial advancement. By the end of the succeeding decade it had shown itself indispensable to industry. The introduction of the railroad was a part of the revolution just referred to. It entirely changed the means and methods of transportation; but the appearance of the railroad was not only a part of this transformation in industrial affairs, it was also a cause, and doubtless the greatest cause, of this economic revolution which had its beginning in the fourth decade.

In order to set forth more distinctly the influence which the railroads have exerted upon industrial advancement, let us inquire how the organization of industry, which prevailed during the first third of this century, differed from that of the present. In the first place labor was then mostly performed by hand, machines were but little used. Alexander Hamilton, in his famous "Report on Manufactures," made at the close of 1791, gives a summary of the leading articles manufactured in shops at that time and then adds that, "Besides manufactories of these articles, which are carried on as regular trades, and have attained to a considerable degree of maturity, there is a vast scene of household manufacturing which contributes more largely to the supply of the community than could be imagined without having made it an object of particular inquiry. . . . It is

computed in a number of districts that two-thirds, three-fourths and even four-fifths of all the clothing of the inhabitants is made by themselves." What Hamilton said in regard to the manufacture of clothing in the homes was in the main true of other articles at the time he wrote, and continued to be true till some time later. Most things were still made in the homes or in small shops during the early years of this present century; indeed, the factory system did not spread much in the United States till after the close of the second war with Great Britain, 1812-15; and then, with the exception of the manufacture of cotton and woolen cloths, industry still kept outside of the large factories. Likewise before the election of Jackson and the advent of the railroad, business was chiefly a matter of individual enterprise and was usually conducted under a simple partnership form of organization. Corporations which, large and small, now so completely occupy the field of business, were then but little known. In those days industry was conducted mostly on a small scale, and was carried on by a widely scattered village population, whereas now, the seats of manufacturing industry are large mills, factories and warehouses in the great centres of population.

Had we any means of definitely measuring the transportation business done before 1830, we should have a good index of the industrial activity of that time; but there are no statistics of the volume of freight carried before the railway began to be used. We know, however, that it must have been small. Only those cities situated on the ocean or along some navigable lake or river of importance could then have any trade of more than local extent. The first movement of large quantities of freight long distances within the United States came with the opening of the Erie Canal. Later such inland waterways as the Great Lakes, the Mississippi, Ohio, Hudson and other rivers became routes of a good deal of traffic. When, however, we consider how very local the character of the trade and industry of the United States was •

before 1830, and how small a part of the country west of the Alleghany Mountains had been occupied and had begun producing commodities to be marketed on the American seaboard or in the European cities, we must realize that, before the appearance of the railroads, the business of transportation had very small dimensions in this country. The railways made possible a large increase in the volume of business done, and added greatly to the amount of traffic in motion.

The effect of the railroads upon industrial advancement was a more vital one than is indicated by the increase in the amount of goods transported. The railroads made their advent at the eve of an industrial revolution; they made that revolution greater and modified its character by increasing the rapidity and cheapness of travel and freight transportation. The influence which the railroads have exerted in this revolution and the real rôle which they have played in the transformation which has followed can best be shown by first setting forth the essential characteristics of the economic changes which actually took place.

This industrial revolution began in England about 1770, and commenced a generation and a half later in the United States; its characteristics in each country were very similar, and it had three pretty distinct phases. The first change that took place was the substitution of machinery for hand labor. This transformation soon necessitated the transfer of the laborers from their homes or the small shops to factories, or large buildings, in which the labor of many men could be concentrated and supervised. The power first used in running machinery was water power, thus the location of the factories was along the streams. Woollen, cotton, flour, lumber, and other mills were all located by streams of water. They are in part to be found there yet, but the use of steam power has resulted in their being differently placed. After the use of steam became general in manufacturing, the mills and factories were most always to



be found near the beds which supplied the coal to be used in the engines, or near the sources of the raw material from which the manufactures were to be made.

This phase of the industrial revolution brought about the transfer of industry, and, to a large extent, of population, from the south and east of England to the north and west. In the State of Pennsylvania we have seen the iron manufacture located first with reference to the wood to be used in the furnaces, then with regard to the anthracite coal beds, and now with respect to the location of the bituminous coal from which the coke for the blast furnaces is to be made. Bituminous coal and fuel oil have made Pittsburgh the greatest iron city of the United States. To this city the ore even of States as far distant as Michigan, Wisconsin and Minnesota, is brought to be smelted. Sources of fuel supply are thus shown to be a stronger force in determining the location of industry than sources of raw materials used in manufacture. The last, and the recent, phase of the industrial revolution has brought the industries to the cities. Manufacturing plants are now being located in the great centres of population, with reference rather to sources of labor supply and to the condition of marketing and distributing the product than to the origin of fuel and raw materials.

Nothing but improved means of transportation could have made possible the second phase of the industrial revolution. Although in England fuel and the raw materials of manufacture came together in a large degree, it was not always so there, and it was necessary even in that country to transport a good deal of the raw material as well as the finished commodities. Until the railroads came into use this work of transportation was done by the improved rivers and the canals of northern England. Railways and waterways now combine to make possible the development of such a city as Manchester or our Pittsburgh. Without the cheap transportation which the Great Lakes and the railroads

furnish for the coal used and the articles manufactured, the industries of Pittsburgh would be of only minor importance.

It is the railroads that have enabled industry to disregard the location of the supply of the fuel and the raw materials to be used, and to plant itself chiefly with reference to labor supply and the distribution of finished goods. The greatest manufacturing city of the United States is Philadelphia, situated on tide water instead of in close proximity to the coal mines of Pennsylvania. New York and Chicago are rapidly developing in manufacturing. This is because the railways are able to bring the coal and other bulky raw materials to these large cities so cheaply that the manufacturer finds it to his advantage to locate his plant advantageously as regards the shipments of his productions. This favorable situation for distribution is often to be found on the seaboard or on the Great Lakes, or on some large river; but not always so; for an interior town having only railways upon which to depend for transportation, may be such a railway centre and be so favored by the railways as to become of great industrial importance. Such interior cities as Indianapolis and Atlanta are instances of this.

The industrial revolution, then, has had three phases: the substitution of machinery for hand labor and the consequent introduction of the factory and mill system for house industry; second, the localization of industry near sources of raw materials, especially coal; and, third, the location of industry with reference rather to markets and to the distribution of product than to sources of supplies. The railroads promoted the second change, and are almost entirely responsible for the third.

Having considered what part the railroads played in the early stages of that great industrial revolution which has so completely transformed every phase of our economic activity, let us now turn to an analysis of the economic services performed by the railroad at present, with the purpose of

discovering how our widely extended and highly organized system of rail transportation modifies and assists present industrial processes.

As our railroad system has grown in extent its social and economic services have more than proportionately increased. The constant tendency of business has been to adjust itself to the conditions brought about by the presence of the railway in the transportation system. Business, furthermore, has had ample opportunity to make adjustments; the improvements in the railway have been rapid, it has taken up one new service after another in quick succession. The more services the railroads rendered the greater necessity have they become. As was declared in the opening sentence of this paper, they have now become essential to almost every form of industry.

The truth of this statement becomes evident when one analyzes the functions performed by the railways in assisting men and society in their efforts to satisfy their wants. Production consists of the two processes involved in getting commodities ready to sell and in subsequently distributing them among those who wish to consume the manufactured articles. By describing how the location of manufacturing and other productive enterprises has been largely determined by the railroads, I have partially indicated how the first half of the productive process has been influenced by rail transportation. By bringing about this localization of industry, the railroads have done much to cheapen the expense of getting things ready to distribute. It is no exaggeration to say that they have done more than anything else to reduce the expenses connected with that part of production which is concerned with the making of things.

The railroad, however, is especially the agent of distribution; and it is here that the value of its economic services is most apparent. In its economic function of distribution the railroad has in general accomplished two things: First, it has cheapened the expenses of former services. With the



railroad to aid us we are able to perform a particular task of distribution with less outlay of energy and capital. Just how much is saved to industry by the cheaper transportation afforded by the railroads, it is difficult to measure. Computations showing that it would have cost the people of the United States eleven times as much had they employed horses to do the freight work done by the railroads during the year ending June 30, 1893, teach but little, because transportation is a service that consists of more than the mere movement of things. The factors of time and expense are involved. Goods sent by freight are consigned to the carrier to be delivered at a stated place within a certain period of time and at a stipulated rate. These conditions, in our present business organization, could not be met by any system of transportation inferior to the railroad.

Statistics showing the decline in rail rates indicate something regarding the influence which the railroads have exerted upon expenses of production, including distribution. The average freight rate per ton mile received by the railroads of the United States was two and one-half cents in 1869, and in 1893 it was .878 cents. The rate of fourteen years ago was three times that of the present rate.\*

The other saving in the expenses of production that results from the use of the railroad as a carrier arises from the fact that this agent can perform many kinds of services of which other means of transportation are incapable. We not only ship more cheaply, but we ship a great deal more because of the existence of the railroad. Many commodities are made mobile by the railroad. Quick transit for perishable goods, cheap rates for bulky raw materials, regularity and frequency of service have combined to increase greatly the variety and volume of the commodities which circulate

\*Of course the causes which have made possible this reduction are so well known that they hardly need be mentioned. Chief among them would rank the invention of the Bessemer process of manufacturing steel.

through the channels of trade.\* This is the chief reason why industry is stimulated and advanced by every decline in the rates of transportation.

Not only have the railroads brought down the expenses of production and distribution and enabled the prices of goods to decline; they have, also, performed the hardly less important service of making prices more nearly uniform in the various markets of each country and of the world. The railway, aided and supplemented by the steamship and the other agents of transportation, has given society such an efficient mechanism for doing the work of collection and distribution that the task of keeping the relation of supply to demand practically the same in all markets has become a comparatively easy matter. To one familiar with the great differences in the prices commanded by the same article a century or even fifty years ago the significance of this is apparent. We sometimes, even now, hear of famine prices prevailing in remote and inaccessible quarters of the world, but the phenomenon has become of very rare occurrence. Formerly it was an unavoidable feature of the economic life of the segregated social groups. With the economic

\* The volume of the railway traffic of the United States has been made a matter of common knowledge by the annual reports of the statistician to the Interstate Commerce Commission. The following figures taken from this report are illustrative. They are for the year ending June 30, 1893:

Tons of freight moved . . . . .	745,119,432
Average number of miles each ton was hauled . .	125.60
Total ton mileage . . . . .	93,588,111,833
Number of passengers carried . . . . .	523,550,612
Average length of each journey in miles . . . .	23.97
Number of locomotives used . . . . .	34,798
Number of cars operated . . . . .	1,373,946
Total capitalization, stocks and bonds . . . .	\$10,506,235,410
Gross earnings . . . . .	\$1,820,731,874
Total number of employees . . . . .	873,602

The difficulty of comprehending the meaning of such large figures as some of the above are is well known. The article by Edward Atkinson on "The Railway, the Farmer, and the Public," contained in his volume entitled "The Distribution of Products," has several graphic illustrations of the growth and magnitude of our traffic by rail. Certain paragraphs in the second chapter of "Recent Economic Changes," by David A. Wells, may be consulted to advantage.

solidarity now attained the world stands ready to supply any deficiency which a crop failure may cause in any locality or in any country. Each industrial centre has the world for its storehouse and its market.

The railroads have exercised a third influence upon prices by helping to make them more stable from year to year or from one productive period to another. The food of the world is now garnered into great warehouses from which the different parts of the world draw their needed supply in varying amounts and at such times as best suits their convenience. The stock of food on hand is always large. The distribution of this supply is so made as to result, month by month and year by year, in fairly staple prices. The prices of wheat and other cereals in the great markets of the world now oscillate between comparatively narrow limits.\* The railroads have lowered prices, made them more uniform, and given them greater stability.

The foregoing analysis partially shows the position held by the railroads in industrial organization. They possess the keys of trade; they can unlock the doorway to success or exclude a business from every opportunity. Thus far in this paper attention has been directed only to the influence of the railroads for good, to the ways in which they have benefited industry. The picture has another side, however. The great power of the railways has frequently been wielded so as to work injury to the business interests of individuals, of cities, and of sections of the country. As long as carriers charge different shippers and different localities equal rates for like services rendered and show no special and unwarranted favors to particular persons or places, so long is their influence entirely beneficial; but to the extent that they make discriminations and grant special favors to the more powerful shippers, to that degree is their great power wrongly and injuriously exercised. The public weal is best served when all shippers are treated alike.

\* See Chisholm's "Commercial Geography," p. 4, for illustrative statistics.



The industrial history of the United States during the last twenty-five years is replete with illustrations of the way in which the railroads have wrongfully used their power to control business. The method by which the Standard Oil Company built up its monopoly is known of all. No excuse, however, need be made for referring to it in this connection. Its history is typical of a host of other organizations, and shows most clearly how unrestrained competition and inadequate supervision of transportation have made it possible for certain shippers to secure such special favors in rates as to enable them to build up monopolies on the ruins of competitors whose claims to life and prosperity were no less valid than those of their conqueror.

I am not arguing against monopolies, nor saying that consolidation of competing businesses is not generally for the welfare of society; I am simply claiming that this consolidation takes place rightly only when it results from the working out of those economic laws that tend to concentrate the management of particular forms of industry into the hands of fewer men because of the greater economy or efficiency that may result. We should have had business consolidation without railway discriminations; but we should have made the substitution of the large corporation and trust for the smaller organizations with fewer individual hardships and with less suffering on the part of unfortunate localities. The change would have come less rapidly and the adjustments would have been made with fewer individual hardships.

When the Standard Oil Company established its refining business in Cleveland in order to secure cheaper rates to the seaboard by the water route than were obtainable by rail from Pittsburgh, it was simply aiding society to obtain the benefits that flow from the use of cheap transportation; but when the company deliberately set out to destroy the refiners of Pittsburgh and to employ for the accomplishment of their purpose the very agency that society had set

up to serve the welfare of Pittsburgh and all other places indiscriminately it committed an unjustifiable act. The Standard Oil Company having attained to considerable proportions made use of the competition of the trunk lines with each other to compel them to grant special rates. "In this case the railroads were used one against another to make private concessions. Each road desired to secure the business of the Standard Oil Company by underbidding the other."\* The business of the company grew rapidly and the competition among the trunk lines for its business became more intense, and the tendency to indulge in rate wars grew stronger. Such was the situation which made it possible for the company to act as the "evener" in the oil trade, by contracting to divide up the freight business among the competing lines, according to a stipulated ratio, and to exact for this service a rebate of ten per cent from the charges on all its shipments. Later the Standard Oil Company was able to exact a still greater commission than this, and to compel the railroads to pay a rebate of "at least twenty cents per barrel on each barrel of crude oil" transported. When these facts first became public, some fifteen or sixteen years ago, we realized for the first time how complete is the control over business which can be exercised by the transportation companies. The Standard Oil Company received not less than \$10,000,000 in eighteen months.† The

\* Albert Fink. Testimony before Cullom Committee, Part 2 of the report, p. 122.

† The relation of the Standard Oil Company to transportation is quite fully brought out in the Report of the Hepburn Legislative Investigating Committee of the State of New York, 1879 and 1880. An outline of this interesting bit of industrial history is given in Vol. CXXXVI. of the *North American Review* [1883], pp. 191-200. The agreements above referred to were but two of many similar ones. An accession of the ten per cent rebate was made by the Pennsylvania Company October, 1877; the commission of twenty cents per barrel on all crude oil shipments was soon demanded by the Standard Oil Company. Some of the correspondence on this latter requisition is well worth reprinting in this connection. The general manager of the American Transfer Company, an auxiliary of the Standard, on February 15, 1878, wrote as follows to the vice-president of the Pennsylvania Railroad Company:

"I here repeat what I once stated to you, and which I asked you to receive and treat as strictly confidential, that we have been for many months receiving from

discriminations it compelled the railroads to make in its favor gave it the power of crushing its competitors out of business.

The evils of discrimination and the ways in which they have injured industry have often been discussed. In this connection it is not necessary to do more than to emphasize briefly the importance of freeing our transportation system of every vestige of them. The best interests of industry demand nothing less. Moreover, this is a matter concerning which all are agreed, the railroad owners and managers and the public alike. Many people err in supposing that the railroad companies invariably adopt that course of action which they prefer to follow. They do not make discriminations because they prefer to conduct their business in this manner, but because they think existing circumstances compel them to adopt these methods. The practice of making discriminations between particular shippers and particular localities has been one of the inevitable results of the intense competition under which the business of transportation has thus far been carried on in this country. In the struggle of rival lines to secure and hold traffic the competitors have made special rates and secretly given drawbacks. Usually, at

the New York Central and Erie Railroads certain sums of money, in no instance less than twenty cents per barrel on every barrel of crude oil carried by each of these roads. Co-operating, as we are doing, with the Standard Oil Company and the trunk lines in every effort to secure for the railroads paying rates of freight on the oil they carry, I am constrained to say that, in justice to the interest I represent, we should receive from your company at least twenty cents per barrel on each barrel of crude oil you transport. . . . I make this proposition with the full expectation that it will be acceptable to your company; but, with the understanding, on my part, that in so doing I am not asking as much of the Pennsylvania road as I have been, and am receiving of the other trunk lines."

The reply to this communication included the following sentence:

"Your favor of February 15th has been received, and directions have been given to allow you, from and after February 1, 1878, the commission therein asked for, until further notice."

This is a sample communication and shows how a business enterprise such as the Standard Oil Company, could compel the railroads to exert their great power over industry in a way that was not for the general good. The cause of the evil practices lay in the practical situation under which the railroads were compelled to conduct their business. Albert Fink claimed that the story of the extortion of rebates by the Standard Oil Company was the best possible argument in favor of legalized pooling.

[*c.f. Ibid.*]



least, they have done this because they hoped by so doing to promote the development of their respective lines. This, it is true, is merely an explanation for the practice and no justification for its continuance. Industry has suffered because of these practices of the railroads, but it should not be forgotten that individual carriers have felt themselves forced to resort to these methods because the people of the United States have clung so tenaciously to the belief that unrestricted competition affords the best regulator of railway affairs. The conviction is at last growing that adherence to competition has not resulted satisfactorily and the American people, through their representatives in Congress, are trying to decide what barriers ought to be erected, to decide the limits within which the competitive struggle of rival railroads should be kept. The problem in transportation, which at the present hour the railways and the public alike are anxious to see satisfactorily and finally solved, is the problem of eliminating discriminations so completely that freight classifications and freight charges shall henceforth be so arranged and so assessed that every shipper and every locality will be justly treated at all times. The solution of this problem is not the task of an hour, and we must not expect to reach our ideal without long and persistent effort.

The work of the Interstate Commerce Commission during the past eight years has enabled us to make considerable headway in the attempt so to regulate transportation as thoroughly to eliminate discriminations, but carriers and shippers are both aware that much is yet to be accomplished. While published rates are more generally observed than they were formerly, exceptions are being made to large shippers by all the more important carriers. In its last report the Interstate Commerce Commission says: "Experience in the administration and working of the prohibitory and penal features of this statute has demonstrated the necessity for further legislation upon specific subjects, so as to render evasions of its general provisions unsuccessful. In other

words, having enacted into a law a proper and just theory or scheme of regulation, Congress should, as occasion arises, legislate with reference to methods of practical railroad operation whenever they appear to obstruct or evade the successful application of such theory or scheme." The legislation recommended by the Interstate Commerce Commission is of such vital moment to industry that it will justly claim much of the time of Congress during the next decade. In my opinion we shall have solved the money question before we succeed in securing that regulation of transportation that will secure an equal measure of justice to all shippers and carriers. The whole course of our history points to State regulation rather than to State monopolization of the transportation business.

It is an easy matter to prove that the industrial services of the railroads have been great and to show that their immense power over industry has at times been so exercised as to work injury to individuals and communities. All are agreed that such great power cannot safely be left irresponsible, but that it must be made subject to an authority higher than itself, one that seeks to advance the welfare of society as a whole. The whole transportation problem centres about the question of rates, the amount of charges and the manner of their imposition. The schedules of railway rates must be worked out by the railroads themselves; they are, in fact, the only parties capable of performing this task. At present these schedules are decided upon by a multitude of separate, and to a large extent antagonistic, corporations. Each company is obliged, first of all, to meet the conditions imposed by real and possible competition; the requirements that must be met in order to provide the public with the best possible service can claim only a secondary consideration. Railway rates are made by antagonists and not by men co-operating to secure the best possible results. Freight classifications and the rates based upon them ought first to be worked out and agreed upon by the transportation companies; the

classifications thus agreed upon by the railroads should then be submitted to the government for approval and amendment by the authority which represents the public as a whole. The charges thus accepted by the government as proper should be observed by the railroads. The experience of the last quarter of a century seems to have conclusively demonstrated the fact that rates cannot be maintained without allowing the railroads to enter into traffic agreements enforceable in the courts of law. This means the legalization of governmentally regulated pooling contracts. When we shall have dealt with the rates question in this manner we shall have put an end to discriminations, and to the injuries which they inflict upon industry.

The economic advancement of the country does not demand a general lowering of rates, but greater equality and stability of charges. The ideal which we all wish to attain in the transportation business is a rate high enough to give the railroads a fair profit upon actual investment, so levied that every shipper may know that published schedules are going to be maintained without frequent fluctuations, and so collected that every person may feel certain that for similar services rendered like charges will be made. With the attainment of this ideal the industrial services of the railroads will be at their maximum.

EMORY R. JOHNSON.



## THE UNITS OF INVESTIGATION IN THE SOCIAL SCIENCES.

The opposition between the individual and society which, on the practical side of human interest is as old as man's history, has shown itself in recent years on the side of pure science to be equally sharp and apparently equally irreconcilable. When it became evident that Hobbes' primitive individual with his redundant independence was but a fiction of the thinker's brain; and when it was seen that Sir James Mackintosh's dictum about the constitutions, that they "are not made but grow," must be applied as well in all other fields of social phenomena, the students of society were not satisfied with tempering the old theories to bring them in accord with the real facts of human nature. They rushed to the other extreme and set up as their entity, as their unit of investigation, "Society" itself, in opposition to the too presumptuous theories that based on the independent individual. Thenceforward all explanations of the phenomena of social life must be in terms of the social organism. We learned that it was the "will of society" that declared war; that it was the "social soul" that decided what was right and what was wrong for the citizen. Finally, we have theories that show how the social organism itself estimates the values of goods as they appear in the markets; and others that attempt to trace the course of religions almost as if they were real beings with vital principles of independent growth.

Now without having reference to the concrete content of any of these theories, we cannot avoid feeling that as far as they are expressed directly in terms of the social organism, they are rather to be looked upon as statements of the problems to be solved than as themselves solutions. When we are told that "society does so and so," we are given rather a description than an explanation of the phenomena.

The social organism is not one of those units of experience or hypotheses from which our reasoning can set out.

With these facts borne in mind we may begin a consideration which will discover to us if possible what those facts are which must be taken as our units of investigation if we wish to understand the meaning of such phrases as those given above.

First of all it is necessary to point out that very few sciences are able to take as their units of investigation, elements which they are satisfied to regard as themselves irreducible. The biologist, for example, must accept protoplasm as a definite fact, behind which, for the present at any rate, he is unable to go. Much as he desires to explain the life phenomena connected with it, in terms of physics and chemistry, and many attempts as he has made in this direction, he is baffled, and must begin his reasonings just with life itself. There is a gap there which his interpretation of nature cannot cross. The psychologist busies himself with the interpretation of the nature and development of man's psychical activities, but whatever theories he may cherish as to the connection between the soul-life and the nervous system, there is much in the former that he must simply take as it is given and reason with as best he may.

The failure to realize this, the attempt to force an explanation of the more complex phenomena in terms of the simplest forces, and the transplanting of laws and methods found satisfactory in one of these separated spheres of investigation straightway to another, all lead to what Professor Patten has well called the "scientific bias" of investigation, and bring in the end confusion instead of knowledge.

When we turn our attention to the social sciences we are inclined to say at once that what they treat of is man and his life in society, but if we should take simply individual men as the units for our investigation and confine our attention to the direct interactions of one man with another, we

would soon meet with very great difficulties. We would find in the first place that we had omitted certain elements of very great importance for the interpretation of social phenomena, prominent among which is the physical environment within which the men are located. Then we would be embarrassed by the fact that man is himself a variable factor, great changes being produced in him by the very phenomena under consideration; and an understanding of the reactions of the social life on the individual would be vital to an understanding of the social life itself.

It is nevertheless true, and in a deeper sense than a cursory thought would indicate, that the human mind is the central point for all study of social phenomena; though our next observation may seem to tend to a very different conclusion. For we must remember that the material that is empirically given us in society to investigate is first of all, simply motion; regular and irregular, temporary and permanent changes of situation in both men and things. Motives, desires, feelings, ideals, and all the other elements that go to make up a conscious personality are not direct objects of investigation for the student of society. Directly they concern only the psychologist. Society itself is rather a nexus of *actions*; and it is a nexus so complex that were the investigator himself of other nature than human, its interpretation would be utterly impossible.

Fortunately we, coming as men to interpret the actions of other men, are in better state. Gifted by inheritance and accustomed by early training and by long practice on ourselves and on others, in the little matters of daily life as in the greater happenings, we are able to interpret the actions of others in terms of the content of our own consciousness. We read into the lives of others motives and feelings akin to those which we ourselves possess, and can thus use the conclusions of psychology to explain the phenomena that would otherwise baffle us.

This process of interpreting physical phenomena in terms



of psychic elements must be recognized as fundamental to any attempt to understand society; and, indeed, it is so universally employed as to make it seem commonplace in statement. It is a much more common error to consider the phenomena to be explained themselves psychical, than to assert their causes to be physical.

It is true that as far as our experience of live, socially active human beings is concerned the two kinds of phenomena are never separate; or, better said, the physical man always shows signs of those co-ordinated activities, which we interpret as involving the presence of what we call the *psyche*. The fact is better stated in this latter form, because what one man observes in other men is of necessity only the physical, the outer series; it is in himself alone that he can attend both to inner and to outer series.

In order to find a firm basis for our interpretation from psychical to physical, we are forced now to further consideration of the relation existing between the two series. It is evident that no thought on this subject can start except from hypothesis. One possible assumption is that mind and matter are two entirely disparate substances, and that the former is able directly to exert influence on the latter. By such an assumption, however, an unknown and indeterminable element, mind, is introduced into our reasonings, and that means the sacrifice of all hope of scientific explanation of society. Opposed to this is the usual hypothesis of nearly all modern philosophy and science, that the two series, the physical and the psychical, correspond to one another throughout. We will make here the ordinary scientific assumption that the two series are simply different aspects of the same substance; put in plain words that means for us simply that mind has its laws as does matter, and that, in human beings at least, the phenomena of one regularly accompany the phenomena of the other.

When it was said above that physical phenomena were to be interpreted in terms of psychic elements, it was not

meant to imply that one series influenced or caused the other. The meaning was that where our ability to follow the physical or sense-series ceases on account of its complexity, there we must interpolate, according to our daily custom, and with the aid of psychology, such elements drawn from our own consciousness as experience has shown to be most satisfactory in explanation.

Let us look for a moment at the physical series. Every motion or action implies of necessity an environment within which it occurs. There can be no change of place without reference of the thing changed to the other things which constitute its environment. There are however certain portions of the environment which stand in a more intimate relation to the given object; for the movement of the object is always directly referrible to some preceding movement in a portion of its environment, and it will always be followed sooner or later by other movements in the environment. This is nothing more than the general principle of causation. It must, however, not be forgotten that these objects of the empirical world which so react and are reacted upon are themselves of complicated nature, having individual characteristics due to previous processes of physical, chemical or vital character. Each possesses its specific way of reacting and of causing reactions. The same blow or strain applied to a steel rod, or to a stick of glass or of wood, will have very different effects in the different cases. The jackass and the cat have very different reactions when placed in a patch of thistles. Even different men vary greatly in their response to the same stimulus, indicating thus the specifically varying character of their organisms.

Each of those actions, then, which taken together make up what we call the social phenomena, may be looked at from two directions. It may be considered first from the position of what we call the actor, and second from the position of the environment, or that which has been acted upon.

Let us now turn from the physical to the psychical aspect

of the phenomena. As has been shown above the attempt to explain the physical processes of society by means of psychical elements rests upon the hypothesis that the two series correspond to one another throughout. It is true that immediate physical reaction with the environment, of a kind which has never appeared directly in the consciousness of the organism, is responsible for very much of the physical evolution of the human being. The study of these reactions falls however rather to biology than to sociology. Man as the result of these reactions is a primary assumption of the sociologist. It is true, further, that many of the actions of an individual man living under social relations, are reflex, and consequently do not appear in the corporate consciousness of the individual. Their corresponding psychic side, if existent at all, must be located in the lower, sub-cortical centres. Such actions are however in nearly every case strictly personal ones and without importance for the study of social phenomena. The statement will therefore hardly find contradiction that all the human actions which the sociologist is called upon to consider have their correlates in consciousness.

Since, then, we have found on the physical side that all the phenomena of movement can be looked at from two standpoints, which have been indicated by the opposition of actor and environment, we would naturally expect a similar relationship on the psychical side. And indeed we can make such an analysis in thought; it is the relationship of subject and object itself. We waive the speculation, which fortunately does not concern us here, as to whether this relation is also found in the inorganic world; the physicist does not use it, finding that interpretation in terms of the physical series is sufficient for all his needs. It is just in the phenomena of human life that the relationship is universally admitted to exist. Subject and object are the results of the very first analysis of what we call the psychic, and one of them is inconceivable without the other.



We must now carry farther the analogy between actor and environment, or cause and effect, on one side, and subject and object on the other. If we consider for itself the simplest psychic state which we can find—a pure sensation, whether pleasurable, painful or indifferent in tone—it is probably correct to say that it is just “a piece of naive experience” with neither subject nor object about it. But enough “philosophizing” has been done by every adult, even of the lowest savage tribe, to give him this analysis into subject and object; and the distinction, once made, becomes a tremendously important thing. The man as subject feels, and he feels with reference to an outside world. This process of “localization” may be very vague indeed as where a slight disturbance is located in general among the viscera; or it may be very precise, as is the ordinary man’s idea of place of things seen. Among adult members of society, it is, however, always present.

Now just as man on the physical side is a living and “going” organism with his own peculiar modes of reaction, so he is to be considered on the psychical side. The adult man has a great store of experience, and this determines the specific modes of his psychic reaction. The combination of a physical stimulus with his nervous structure, resulting in action, and the combination of a sensation with his ideas, resulting in a new state of consciousness, are simultaneous. It is on the basis of these propositions, resulting as they do from our preliminary hypothesis of the relation between matter and mind, that we get our justification for explaining the physical phenomena of society in terms of psychic elements. Instead of attempting to interpret the actions of men by brain states, of which in the very nature of the phenomena we can know nothing, we use directly the concomitant psychic states, the desires, feelings and ideas, and interpret the actions through them. Empirically we have seen this method of explanation to be unavoidable; and the hypothesis from which we have set out is the only one which

will enable us to take advantage of it, and yet keep within the limits of scientific work.

Now it is so clear as hardly to need statement that the analysis between subject and object is possible only for an individual consciousness. One's own subjectivity is the one absolutely unique fact of his life. In assuming for each individual man a psychic life, that is an individual subjectivity, we assume for him at the same time the corresponding object series to which his subject refers. This object series will vary greatly for men at different stages in racial evolution. It will differ for two men under the same circumstances; and it will even differ for the same man at different periods in his intellectual development. If then we are to interpret the individual's actions by means of his assumed subjective states, we must understand and interpret these with reference to the particular individual object series to which they refer, as far as we can determine it, and not with reference to our own, or to some assumed "racial" or "social" object series. If the elements on which we base the explanation of society are to be the states of feeling and knowing of the individual subject, they must have opposed to them the content felt and known by him at the time, rather than that content of better tested knowledge which the race has accrued, and which we are accustomed to call the "real" physical world. This may seem rather a verbal quibble. It has, however, its importance in the consideration of the complicated phenomena of society, and we shall be careful throughout to name the elements that we may find, rather in terms of subject and object than of physical forces.

The postulation of these mutual interactions of the phenomena in the psychical as well as in the physical series, must not be thought to be derogatory in any way to the power of initiative which manifestly resides in all living beings. Rather it directly presupposes it. Just as protoplasm becomes a store of energy, and as the different organisms all have their characteristic acquired modes of reaction,

so there is for each being its characteristic psychic condition and initiative. And though we can ultimately reduce the "going" and originating power of protoplasm to reaction of units of matter with the environment—as it has been suggested, for example, in the case of the simplest unicellular organisms, to the effect of moisture and light on the surface of the cell—this does not in the slightest degree do detriment to the fact that in the organisms as we find them, the specifically characteristic activities and "psychologies" are present.

Admitting the necessity of a psychologic interpretation of all social phenomena, and recognizing that just as every action is only conceivable with reference to an environment, so every psychic state whether feeling or thought or impulse, is inextricably bound up with an "object," either of the past or of the present, to which it can be referred, we are in a position to begin the consideration of those elements which must be made the units of investigation in any causal interpretation of social phenomena.

The elements divide themselves as has been indicated, first of all, into the two general classes of the men who know, feel, and act, and that content which presents itself from one point of view as that which is known or felt, from the other as that which is a cause of action. Any individual man, as we find him, has certain characteristic ways of reacting on the various stimuli that are presented to him. The sum of these forms of reactions, considered from the subjective side, constitute what we call his personality, and distinguish him from other individuals. The sensations which present themselves to him from without, combine themselves as they come, into percepts or objects. To these he responds in accordance with his accumulated store of ideas, or psychic personality, as above described.

These objects group themselves primarily into other human beings, and a physical nature, which latter phrase must be understood to include brute and vegetal life as well as



inorganic phenomena. It must not be left out of account that man is a "going" organism; and that what both immediate sense stimuli and his store of accumulated experience or personal knowledge really do for him is to control the direction of his actions. Consequently he sometimes seems to be acting entirely under the influence of immediate sensations; sometimes entirely under the influence of inward states or ideas. In reality both elements are concerned in all his actions. The actions brought about largely by inward states or ideas become exceedingly complex. It is on them almost entirely that social life depends, and it is on account of their complexity that we are forced to the psychic interpretation of the social phenomena.

In classifying the units of investigation in the social sciences we do not need to do it from the standpoint of the individual man in society. It will suffice if we remark that the actions of each individual with reference to his neighbors are governed by what he expects them to do rather than by what they actually will do, as to which latter the individual man has of course no means of being certain in advance. The classification can then be made from an external standpoint.

The units of investigation then, as far as they have been yet mentioned, include the knowing and acting men, and the known environment of physical nature within which they are placed. With the latter we have in this paper little concern. It consists always of certain concrete conditions; and, as has been repeatedly said, is to be brought into consideration only in so far as it is known to the members of the society. In low societies the influence of this environment while of the greatest importance, is simple and largely a matter of immediate experience. The conditions of climate, the dangers that are encountered, the food supply that is within reach, are all reacted upon directly and have their great effect in social development. In an advanced type of society where a great mass of knowledge has been

acquired by the summed up labors of many generations of men, and where the various parts of the external world are understood in their relations to one another, the environment is exploited to a much higher degree for the benefit of the individuals. Nature is here under the control of man, and the individual's reactions with it are in the main not direct but meditated through the organization of society, and through the whole mass of accrued appliances and social knowledge.

Passing now from the physical environment to the human beings who react in connection with it, it is next necessary to classify the various psychical elements with reference to the forms which they assume under social conditions. For the sociologist the fundamental fact of the psychic life of man is that he is a creature with wants. The term wants may be understood to include the content of all those motives which lead to action with which the sociologist is concerned; there are, of course, many other wants leading to actions which have no import for society. We may distinguish in general between the deep-seated and permanent needs of the organism, and its temporary and fluctuating desires; but it is not the purpose of this paper to concern itself at all with the classification of concrete wants. While such classification is of the utmost importance for the interpretation of specific social problems, it will not aid to discover the general types of elements with which one must always reckon. We must seek rather for the specifically different psychical forms in which the wants, and the psychic processes connected with their satisfaction, express themselves. We will find, in general, three such forms which are of importance to the sociologist. The simplest of these is impulse, which is correlated with impulsive action. It is an immediate yielding to the first best desire that comes along.

We may define *impulse* accordingly as the psychic analogue of the simplest form of want satisfying activity; remembering of course that with the increasing complexity of psychic

life, and the consequent conflict of impulses, there will be many impulses which will be conquered by stronger ones, and so which never appear directly in action. In the lower animals the form of much of the activity from birth onward is instinctive, by which is meant simply an inherited form of reaction on the world; but in the human being instinct plays such a minor rôle, being replaced almost entirely by imitation and acquired experience after birth, that we do not need to take it into account for our purposes.

Simple impulsive actions being random and indefinite are themselves of little importance for the sociologist, and in the vast majority of persons in a modern civilized community they occur mainly in connection with the trifling personal functions of every day life. In place of them we find the co-ordinated actions governed either by custom or by "enlightened egoism." It is next necessary to trace briefly the steps in this co-ordination of impulses into customs on the one side and into "competition" or conscious calculation on the other.\*

Even in an isolated individual there would arise very quickly *habits* of reaction, owing on the mental side to his distinguishing between successful and unsuccessful methods of attempting to satisfy his wants; and on the physical to the tendency to repetition of past actions, the energy of the individual being drained off along the lines of least resistance. In a group of individuals living under the same physical surroundings, there would naturally be many habits individually formed which would correspond in all the members of the group. Recent investigations† have greatly emphasized the importance for the understanding of the evolution of mind, of the imitative tendency in all its various stages from physiological repetition to conscious and

\* Professor Patten has elaborated the distinction between actions determined by "feeling" and those determined by "reasoning" in several of his recent writings. See especially "The Scope of Political Economy," *Yale Review*, November, 1893 p. 279.

† Compare, for example, J. Mark Baldwin, "Mental Development in the Child and the Race," New York, 1895.



volitional reproduction; and this factor alone would be sufficient to ensure a great multiplication of the number of habits of action common to most or all the members of the group. Habits of quite complicated character would be passed both from parents and from other adults to the children, as well as from adult to adult.

In this approximation of the habits of many people to one another we have the rudiments of *customary action*, a phenomenon of such transcendent importance for the interpretation of many civilizations, and of the widest influence even in the Western civilization of to-day. Imitation, important as it is, can however explain to us by no means all of the phenomena of social custom. As a correlative to the attempt both of children and of adults to acquire consciously and volitionally some social habit or custom, there may go the attempt on the part of the more adept to impart or teach it. The custom thus comes to be looked upon objectively from both sides. It is referred to the whole group as something which everyone does, and no longer regarded as a simple property of the individual. When it is learned or taught it is looked upon as something to be valued for its own sake. In the characteristic way peculiar to the human species, the means has been raised up and is treated as an end in itself.

But this is not all. After the custom has become comparatively fixed and rigid, the physical environment, or the corresponding wants of the group, may undergo some change, so as to destroy to a greater or less extent the purposefulness of the custom. It will not readily yield and remains a monument of past conditions. It becomes then regarded all the more as objective and independent. The more intelligent of the people may see its undesirability, and wish to disregard it, but lack of energy and fear of their less facile fellows will keep them true to the old observance. Again, in the course of time and with a changing environment, the custom may come to affect an entirely different

part of the life activity from that which it originally concerned: and this is still another element tending to cause people to look upon it as an objective fact with which they must reckon.

Now in order that these customs be looked on as objective by the individual members of the group in which they are found, a considerable degree of intellectual development is required. The individual must have consciously reflected on the surroundings of his life and be able to reason about them. It is just this characteristic which marks the sharp difference between the actions of the hive-bees and those of the members of even the most savage group of human beings. It will hardly be said that the worker bee consciously reflects on his life and its conditions, and acts accordingly. The bee simply acts as his instincts have led him, and all is well. The man reflects as he lives. It is not intended to claim that in races under the full sway of primitive custom, there is very much conscious reflection of this particular kind, but simply that in an occasional individual the germs of it are found, and that the farther the tribe has developed, the more important such reflection becomes.

We have seen that many of the impulses and habits of the individuals become co-ordinated in social life in the form of custom. There remains, however, a large part of their activity which does not become so regulated but continues in the impulsive form. It is probably here that the material is to be found from which free volitional action and conscious calculation of utilities is developed. The occasion of such action would be, as has been already indicated, the conflict of two or three impulses of which it was possible to choose only one. A utility scale would gradually be formed in accordance with which choices would be made. The portion of the activities of the individual in connection with which such conscious calculations are made, would be gradually enlarged; but it is evident that only that can be weighed and estimated which is of the nature of a content of knowledge; and this

agrees thoroughly with our general theorem of the importance of the opposition of subject and object, in selecting our units of investigation.

We may now pause for a moment to consider what elements on which to base our reasoning about social phenomena, have been thus far disclosed, and what are their relations to one another. These elements are individual men as acting (1) on impulse, (2) unreflectingly, in accordance with custom, or (3) with conscious calculation. Their actions are governed with respect to their environment, which consists, for all their calculated actions, at least, of their knowledge and experience of (*a*) nature, (*b*) their fellow-men as individuals, and (*c*) social customs.

In making thus social custom, as we find it objectified in the mind of the individual, one of the units for reasoning, it is by no means meant that custom is any material or tangible phenomenon. The ridiculousness of such a position is apparent enough. On the other hand more is meant than that it is simply an abstraction made by the student to help him in his scientific studies. Custom must be understood as objectified in the minds of the very people among whom it is found, and as helping to regulate their actions. True, in low, custom-bound societies there may be very few who do more than imitate, very few who consciously take custom into account in the way we have specified. Nevertheless there are some who do it, and whose lives are greatly affected thereby; and it is these very individuals who bear with them the seeds of social change, and whose natures it is thus of the most importance for the sociologist to understand.

The elements thus far enumerated are clearly insufficient to account for many of the highly complicated phenomena which we find in modern social life. We have however already attained the main principles on which their classification must be based: so instead of trying to follow further the general course of social development, we may descend at



once into the midst of affairs as our present society shows them.

First of all our attention is called to the fact that the physical environment to be considered is no longer simple unmodified nature. By the actions of many generations of men, climates have been changed, lands reclaimed, harbors made, and a thousand other changes brought about in the country inhabited. We must take all these things as we find them now if we would understand society rightly. Further than this, a modern society possesses a great store of material goods which have already been fitted for human use, or are on their way toward that goal. These form a vantage point for further progress. These material elements admit only of concrete classification, and, as before, we can pass over them at once to the distinctively human elements.

It will be remembered that the chief characteristic of custom is that it is a form of action which is shared in alike by all, or, at least, by the great majority of the members of the group in question. Undoubtedly the chief form of custom which we have to mention is the language of the society. In its earlier forms, spoken language will be found to answer very exactly to customary action as it has been described above. Under custom may also be classed simple religious beliefs, and even simple ceremony, as far as it has not taken on a type of organization characterized by formal division of labor.

Unfortunately the word custom is liable to be understood in several different ways. It may mean first of all, on the physical side, the habitual mode of reaction which is the same in all of the individuals of the group. This we have been distinguishing by the phrase "customary action" instead of by the simple word custom. But it may also refer subjectively to the characteristic of the individual in making such response to stimulus: or finally it may mean the objectified mass of custom as it presents itself to the

reflecting individual: in other words, the abstraction, custom. Customs in this last sense are the *products* of the social interaction of men, as recognized in the individual brain. Now there will be found certain other elements in the knowledge of the individual about society, which differ in certain respects from customs, and which are even more important as regulators of his conduct. These bear in general the mark that they involve differentiation of function on the part of the individuals: and they are often classed together with customs under the general phrase "social structure." Here belong, for example, all institutions, and the whole social organization of individual activities. The general characteristics of any particular civilization are often summed up by reference to these things—its laws and institutions, customs and beliefs. There is apparently no distinctive English word for this class of phenomena, and as it is essential for the sake of clearness of reasoning to have them specifically named, we may perhaps adopt from another science the word "formation" for this purpose. *Formation* then may be used to designate any portion of what is often called the "social structure," whatever its origin, which may be objectified by the individual and made the norm or basis of his action.

Prominent among the social formations is the state, or rather the constitution of the state, if that word can be used in such a broad sense as to make it include the form of organization of all the political activities of that part of the citizenship which is concerned in any way whatever with the carrying on of the state functions. Again the whole religious organization with its related institutions forms a good example of a social formation, or rather of a complex of such formations. Here also are to be ranged such institutions as marriage and the family, the school and the university, and benevolent organizations. The industrial organization of a modern society is a complex of such formations, among which may be mentioned the phenomena of exchange, credit,

currency, the transportation system, boards of trade, banks, the telegraph, and business law.

Objection may perhaps be brought that these "social formations" are really nothing more than modes of interaction of men living in the society of one another, and that abstraction of them does not make them elements of reasoning, but rather phenomena to be explained; and it may be said further that the explanation can be given completely in terms of the individual men who are members of the society in which the phenomena occur. The first of these points is readily admitted, but the second and third imply misunderstanding of the whole course of our argument. It has been a fundamental assumption from the very beginning of this paper that the actions of men, which are the phenomenal content of sociology, are so complex that they can be explained only in terms of the psychic lives of those men. Further it has been assumed that the psychic factors can only be understood in connection with that objective world which is in its simplest phases the occasion of their feeling, and in its most complex manifestations the content of their knowledge. If now it can be shown that the psychic states and consequently the actions of an individual living in a society are governed as much by his knowledge and ideas of what we have called formations, as by his knowledge and experience of the outer physical world, or of the concrete men with whom he comes into contact, the criticisms above mentioned will have been sufficiently met.

If we pause to consider what the terms subject and object themselves imply, we will find that they are both abstractions from a primary sense-content. The one always implies the other, and it is only in thought that the two can be separated at all. Thought as a relating and limiting activity involves in its very essence abstraction. From this point of view the external physical world is itself an abstraction from sense-experience. It is object to the individual subject who knows it. We must be careful not to



confuse objectivity with materiality. Everything material is objective, but the objective is not exhausted in the material. For instance, when we make the psychic life of others or our own past mental states the "object" of our thought, these immaterial things are as truly objective to us as the external physical world can possibly be. Now in order to distinguish that which is "real" from that which is merely a projection of his own brain, the individual subject is accustomed to appeal to the consensus of his fellow human beings. By accepting that which is reported as objective by all as the "real," hallucination is weeded out and the individual obtains a reliable basis for action. All of these points are in full harmony with our claim to consider the social formation as objective, and to treat it as one of the elements on which the action of the individual depends.

Empirically the objectivity and positive character of social formations will hardly be denied. A law is objective enough to the criminal who violates it or who contemplates its violation. A man deliberating as to whether he shall go into a public bar for a drink of liquor is just as apt to have his decision determined by reference to his code of social propriety as to the physiological condition of his body. A business man finding his success dependent on the adoption of certain dishonorable practices common among his competitors will swing into line despite the dictates of his conscience. These cases do not need multiplication. The influence on the actions of the individual men is plainly enough to be seen.

It is however clear that social formations are by no means taken into account in all the actions of individuals. In actions from impulse and from habit, there is in the nature of the case no such reference. It is only in the class of actions which follow conscious calculations that the objective formation is of importance. But it is just such action, basing as it does in reason, that is distinctive of human beings, and by means of which, as has already been pointed out, the

human group is differentiated from even the highest aggregation of animals. The human being recognizes means as distinct from ends, and he alone among animals can compare and weigh these means; and make them directly the objects of his activities. In highly developed societies it is only by this process, by consciously recognizing the social formations and adapting himself to them, that the individual can maintain a successful existence.

After what has been said it seems hardly necessary to add that the objectivity which has been posited of social formations does not carry with it in any sense the implication of any initiative or autonomous character. The formation has its effect and is an element for reasoning only so far as it is a part of the knowledge content of the individual man. The difference between it and the external physical world, as far as our purposes go, is simply that it has its effect merely as a representative state, while material objects must at times be considered also in their immediate effects as simple presentations.

Taking these elements,—the impulses, psychic customs and calculations of men, and the content of their knowledge, consisting of the physical world, other individuals and social formations,—we have next to indicate a few of the main forms in which they must be combined to explain the phenomena of social life. In any given problem, only a part of these elements may occur, or be important enough to merit special consideration.

These problems may be divided in the usual way into genetic and static. The static theories seek to explain the social relationships and interactions, under circumstances in which the elements on which the reasoning is based, remain practically unchanged. The genetic theories, on the other hand, seek to show the development of these very elements, and the changes which have been brought about in them in the course of human history. It must be remembered that

this division of the problems of society into genetic and static is a purely logical one, and that it is made only for purposes of convenience in treatment. In a certain sense all social problems may be looked on as genetic, as will appear especially when we glance at the elements which are used in the theories of value. Nevertheless, the distinction is found to be of considerable importance. Let us examine, first of all, the combination of the elements for the explanation of a few typical genetic problems.

We have seen how in small, primary groups, brought together largely by conditions of food-supply and by sexual impulses, the direct interaction of one individual upon another through imitation will produce common habits, or as we have called them customary actions. To explain this process the only elements which we have found it necessary to take into account are impulses, physical nature, and the presence of other individuals. In this way simple language forms are produced; so also primitive religious beliefs, which are to be looked on as a customary interpretation of certain physical phenomena. The same elements will suffice to explain the origin of many of the primitive formations implying division of labor; as simple political institutions and ceremonial of worship, the forerunner of the organized church. It is true that the presence of different groups of men in the same region has undoubtedly the utmost importance for the understanding of even the earliest political institutions, as Gumpłowicz has especially emphasized: but, as will appear later, this fact does not make it necessary to assume the group as the unit of reasoning.

Each new individual born or adopted into the group receives by imitation, conscious or unconscious, the customs of the older members. Even after the custom has become quite firmly fixed and well adapted for the ends which it serves, a change in the environment will probably affect it and gradually change its character.



These changes are usually brought about by repeated slight deviations on the part of some of the more independent members of the group; and these deviations, imitated by others, form the basis for the new custom. Sometimes, again, a very firmly fixed customary action will survive on the sudden removal to a different environment, and obtain very different meaning from what it originally had.

It is clear that in some of these processes it has been necessary to assume individuals acting with a more or less perfect, conscious estimation of pleasures and pains; while reaction is also beginning to be made with reference to the formations objectively considered. One stage in the development of the formation has thus served as a stepping-stone on which the members of the society have risen to a higher stage; or one formation has served as stepping-stone in the change to another. To use another figure, the objectified formation has served as the fulcrum on which the lever of human desire has worked to secure a better adjustment to the environment for the future.

In these ways then very complex customs and institutions will gradually be developed. It is usual to put in opposition to one another two forms of the development of institutions; on the one side, spontaneous or organic growth; on the other, deliberate creation by a consciously acting government or populace. We have made little of this distinction in this paper because it is impossible to find any sharp line of demarcation between the two forms of growth. Both conscious volitional action and reliance on custom play a part in the development of every more complicated formation, and it is often impossible in any one case to decide on the share of each element. The main characteristic of the deliberate creation of institutions is probably that many people—in democratic societies, presumably the majority—act together, and ordain that which seems fitting to them. But it is evident that such action itself bases on an institution that is ultimately of "customary" origin; while we have shown

that even in the development of custom, consciously calculating action, though it may be only of a few people at a time, plays a great part. The deliberating action of the members of a modern political majority is only the extension of the deliberating action which was in early societies confined to the few, and the results of which were passed on to the more passive part of the community by means of imitation. The institution on the basis of which the modern majority acts, is similarly only the outcome of a customary formation. A deliberately produced formation, such as a law, has, it is true, usually a sharply defined beginning and end, and in so far differs from the customary formation; but, on the other hand, its character is seen frequently to approximate that of the latter, inasmuch as its results are often far different from what had been planned by those who took part in its creation.

This is not the place to carry out in detail these considerations; but it has been made sufficiently clear how such changes in form of the social interactions and relationships of men must be explained. The elements of explanation must all be based on the characteristics of the minds of individual men. Individuals acting with reference to their total environment, their knowledge of men, and nature, and social organization, furnish us the materials from which we can build up the genetic interpretation of society. Not that the student of society aims primarily to determine how these changes of character in the individual are produced. That is clearly the affair of the psychologist. The sociologist assumes rather such changes as facts through the aid of which he will be enabled to explain the changing character of social life.\*

\* These considerations make it clear why it is that the emphasis throughout this paper has been on the importance of the individual man's characteristics for the understanding of society, rather than *vice versa*. The whole of the phenomena which we have had under discussion could have been approached equally well from the other point of view, in which the centre of interest is the individual, and society is considered only in so far as it is an important part of the environment affecting its growth. Such a point of view is however taken, as has already been said, rather by the psychologist and the moralist, than by the student of society.

Let us pass now to an equally brief consideration of the elements of investigation as they are combined for the explanation of some of the static problems of society.

Static theories are conceivable which concern themselves with almost any social formation and in almost any stage of society. Besides theories of the development of language and the marriage institution, of the state and of legal enactments, we may have theories of the processes that go on in any given society between the different individuals acting with reference to the given formation. So a theory of thought and its communication between individuals recognizing the same language-formation is possible. The static theory of marriage would trace the effects of the existence of the marriage laws and customs on the actions of individuals, both married and unmarried, taking into account at the same time the physiological characteristics of the individuals and the climatic conditions under which they lived, and also the existence of the other social formations of the same society.

Undoubtedly the most important static theories are those of modern industrial activities. They have concern with the relationships of men, acting partially under the influence of custom, partially by means of careful calculations of increments of pleasure and pain; these actions taking place under definite geographical and climatic conditions, and with reference to definite industrial formations. Some of these formations have been already enumerated. They include organized markets, credit, currency and banking systems, exchange and the transportation system, and business law. In addition to these and many other strictly industrial formations, the wide extent and complexity of our economic activities require us to take into account nearly all of the more important social formations. It is sufficiently evident how much a man's industrial life is affected by the existence of the state, even where it does not primarily conserve economic ends; or by his desire to found a family or to conform to some class spirit or to some demand of fashion or of his



"set" in society, simply for social reasons and where the practice itself has no attraction for him.

It is evident that theories built up from these elements will have validity only in the specific societies or countries in which the particular premises used are found. They will make no pretence of "perpetualism" or "cosmopolitanism." No theories of political economy, however general or universal they may have claimed to be, have been constructed without reference to specific industrial formations. The "absolutism" can consist only in choosing as premises such formations as are common to as many societies as possible; and in so doing the theory evidently moves far away from the actual conditions of any one society.

The phenomena of market values furnish material for one of the main static theories of industrial society. The theories advanced in their explanation base, in accordance with what has just been said, on the existent industrial formations. Each industrial member of society takes these formations consciously into account, especially when he seeks to change or better his condition, and he determines his action with reference to them. The specific wants of the community can be estimated by the business man and taken into account in much the same way.

On the side of the consumer, the goods he desires are determined partly by custom, partly by his conscious estimation of utilities; these factors both being modified to some extent by the amount he is able to expend. On the side of the entrepreneur, conscious calculations have largely replaced customary production. The probable wants of the consumers are estimated in connection with the possibilities of supply under the given physical condition of the territory, and in connection with the probable supply from other producers of the same good. On the side of the laborers custom and calculation play very unequal parts in the different countries and in the different branches of production. While custom leads to a condition in which many individuals can

be lumped together, so to speak, and treated as a whole for the purpose in hand, calculation leads more often to similar types of action in many individuals, and so results in competition. However far freedom of competition may have advanced in modern society, it is very clear that a very great part of the activities of men in society still rests on custom, as well in the industrial field as in other departments of social life, and that the conscious calculus of pleasures and pains is by no means the only thing to consider in the interpretation of these activities.

It is by these elements as above described, combined with many other less important ones which cannot be mentioned here, that market valuations and prices are produced in the advanced modern society.\*

All the illustrations of the synthesis of the different social elements, which have thus far been given, deal, it will be noticed, with the phenomena that take place inside of a social group. It remains to indicate that even in the interactions between different groups it is by no means necessary to make the groups themselves the units of investigation. Similar conditions excited in different individuals under the same stimulus from members of another group, imitation of these feelings through sympathy, and the transfer of them to children and newcomers are sufficient to account for the apparent action of the group as a unit. Impulse and custom and calculation on the part of individuals are the true elements, not groups of men. The same elements are sufficient to explain a popular uprising in a large modern state; or the declaration of war by one state upon another. In this last

\*This does not do violence to the fact that in many parts of the world prices are still themselves matters of direct custom, in which case their discussion would fall under the problems which we have called genetic rather than under the static problems. It is necessary to point out again that this distinction of static and genetic problems is purely one of convenience, and that from a broader point of view all determinations of market values, implying, as they do, changes in the opinions of individuals, have a certain dynamic character. From this point of view all prices determined under the sway of free competition, however fluctuating they be, are themselves, as long as they last, true social formations.

case, the process consists in the creation of common opinion among the populace by imitation and reflection on the part of individuals, and the conscious deliberation by the members of the government with reference both to this public opinion and to the foreign offending society.

We see then that in all departments of social life the main elements to be considered are the actions of men in accordance with custom and those which depend on deliberate calculation. The latter must have, to a great extent, conscious reference to the objectified customs and institutions of the society in which the individual is placed, in short, to social formations. These formations are on the one side social products to be explained; on the other as part of the content of knowledge of the individual, they are themselves elements of further progress. Taken in the former way, we may have for each one a genetic theory, an explanation of its development. Wherever taken consciously into account by the individual and where the phenomena are important, static theories of them are necessary in the sense defined above. From either point of view, by means of the formation or of a group of formations, we are able to mark out a distinct field for a separate social science. Such a science will not be an abstract science of the nature of the pure economics, about which much has been said recently; nor on the other hand will it be merely a descriptive science of social products. It will be in the fullest sense explanatory through a synthesis of the social elements which are grounded ultimately in psychology. It is only through the combined results of many such sciences that we will succeed in advancing on the one side to a better art of social control, on the other, to a more perfect social philosophy; two goals which are in truth much the same, looking but the opposite ways along the stream of time.

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## BRIEFER COMMUNICATIONS.

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### THE RELATION OF ABSTRACT TO CONCRETE SCIENCES.

So many new and interesting questions are injected into our discussion by Professor Giddings' note on "Sociology and the Abstract Sciences" in the March number of the ANNALS, that it is not easy to determine at just what points to prolong the controversy. After some consideration I have concluded to pass by, for the present, the older problems upon which I have already expressed my opinion and to turn at once to the most important of the new problems suggested. In this way the attention of the reader may be economized and the discussion itself guided into an even more fruitful channel than it has yet followed.

When I first saw Professor Giddings' plan for a double classification of the sciences, it pleased me very much. I thought that with its use many of the differences between the deductive and descriptive methods of studying the social sciences might be made plain; in cases where agreement is impossible we might, at least, understand one another and locate the source of the disagreement. But, since he has explained his plan more fully, I think that for the present, at least, it has added to the sources of confusion rather than helped to clear them up.

The new difficulty comes from the way in which Professor Giddings separates the abstract from the concrete sciences. He uses "abstract" and "hypothetical" as though they were convertible terms, and then uses "phenomenal" and "concrete" in a like manner. To my mind, the contrast between hypothetical and phenomenal is not the same as that between abstract and concrete. The first contrast implies simply that the ultimate units of certain sciences are not matters of experience, while in other sciences the ultimate units can be seen or felt. In an abstract science, however, the ultimate units may be matters of experience, but some of the qualities of these units are considered by themselves to the exclusion of other qualities. In a concrete science all the qualities of the unit are valued alike and are supposed to have some influence upon the effects which the activity of the unit produces. Or, to put the case in another way, an abstract science tries to determine effects through a knowledge of the causes which produce them. A concrete science reverses this process and tries to learn of causes through their effects.

A hypothetical science must be abstract, but an abstract science need not be hypothetical, in the sense in which "hypothetical" is the term opposed to "phenomenal." The term "hypothetical" has, however, a place in abstract sciences, because the conclusions derived from abstract reasoning are hypothetical. Some sciences, physics for example, have hypothetical premises; others, like economics, have hypothetical conclusions. If we use the term "hypothetical" to designate those sciences with hypothetical premises, the number and extent of such sciences are more limited than if the term is so used that all sciences with hypothetical conclusions were included under it.

Professor Giddings, if I understand him rightly, would place the law of gravitation in concrete physics, because gravity is a part of the phenomenal world and does not depend on such abstractions as atoms, centrodcs, etc.; yet, no other law stands so fully as a model for abstract thinking. Abstract economics has been based on the thought that its reasoning should conform to the standard which this law has created. If the law of gravitation is a part of a concrete science, then all of pure economics is a concrete science. The law of utility is the most abstract part of economics, and yet utility is a phenomenon. It is a part of the concrete world, and not like atoms, a matter of hypothesis.

In an abstract science, certain phenomena are studied first, and then certain facts are predicated of other phenomena, of which no inductive study has been made. A study of utilities, for example, shows that they differ in intensity, and can, therefore, be arranged in a definite order. From a knowledge of these facts, certain conclusions can be drawn as to the value of the objects which afford these utilities. With a supply of five apples, the value of each apple cannot be greater or less than the utility of the fifth apple. We draw this conclusion about value, although it was not a part of the original investigation; it is studied in the end only to verify the deductions which were made of it from the study of the phenomena of utility. In a concrete science, however, all the facts of a given class are discovered, and then an attempt is made to so arrange them that they will give additional knowledge about themselves. No attempt is made to predicate facts about phenomena not under investigation, as would be done in abstract sciences. Sciences may, therefore, be classified according to the character of their premises, or according to the character of their conclusions. The first classification is of no value in the social sciences, because all their data belong to the phenomenal world.

Professor Giddings' classification is based primarily on the history of the development of the physical sciences and overlooks the different

character of the phenomena with which we have to do in the social and vital sciences. In the latter, a three-fold division of the sciences is better than a two-fold one. Besides the concrete and abstract sciences, we have a series of comparative sciences. In any field where the evolutionary processes have been at work for a long time, not only is there a large number of concrete types and forms to be studied, but also these types and forms must be arranged in a series; their general principles studied, and certain deductions drawn from the premises thus obtained. Natural history and botany are instances of sciences dealing with certain concrete forms; while biology is really a comparative study of the results of these earlier observations. In the same group of sciences as biology are comparative philology; comparative religion; ethics, in its usual sense; politics, when a study of comparative institutions; and political economy, as investigated by the historical school. The abstract social sciences lie back of this group of comparative sciences, and get their premises largely from physical geography, psychology, and biology, that is, from fields not strictly within the realm of social science.

If this three-fold classification is adopted, a concrete social science will have a more limited field than do the concrete physical sciences in a two-fold division. In any case, this difference in classification will help to show the cause of the differences of opinion between Professor Giddings and myself. I agree with Professor Small rather than with him as to what field sociology, as a concrete science, should occupy. The two fields, however, are so distinct that they should have different names.

Professor Giddings is constantly asserting that sociology is a concrete science, and yet in all his examples of sociological reasoning he has used the abstract method. If I am abstract in studying utility and making from this study predicates about economic facts, he is abstract when he studies imitation and draws thence conclusions about society. Imitation, in the sense in which he uses it, is as abstract as utility, and they must both be studied by the same method. He also assumes that if imitation came earlier than the thought of marginal utility, it proves that marginal utility depends upon social relations. He thus defines society as though its only characteristic was the phenomenon of imitation. If this be true, then the study of society is an abstract science. It would be what he calls ethics, and what I call the theory of social forces.

To me society is a concrete reality, and not an abstract concept. The social elements or forces, of which there are many, must blend into a concrete unit to make society possible. No one of these elements, like imitation, can be taken as an index of the presence of a society,



without having the study of society changed into a study of the forces which create society, and of the order in which they arise. I have not claimed that the phenomenon of marginal utility precedes all the social forces. Many of these forces appear in isolated forms long before a concrete society appears. I contend that the thought of marginal utility precedes the formation of concrete societies whose phenomena, according to Professor Giddings, form the subject-matter of the science of sociology.

I do not ask for a better proof of the fact that Professor Giddings confuses the problems of an abstract and those of a concrete science, than is given in his paper. While wishing to have sociology rank as a concrete science of a descriptive and historical character, he desires to define a society in terms of imitation only, so as to carry on a discussion about the relation of marginal utility to imitation. This, to my mind, violates the first principle of a concrete discussion. If he wants to show that the thought of marginal utility comes subsequently to the formation of concrete societies, he should prove his thesis by presenting historical and descriptive matter supporting his claim. To discuss imitation, identity of kind, sympathy, and similar abstract concepts, carries him into the abstract science he calls ethics, and away from all forms of concrete society. Both ethics and sociology are fields worthy of investigation; but they are different sciences and use different methods of research. Sociologists must be conscious when they pass from the one field to the other before they can do good work, or make their meaning clear to other students of social phenomena.

I do not think that the issue between Professor Giddings and myself depends upon whether or not "a consciously hostile conflict for food among creatures of a like kind, is antecedent to a consciousness of identity or likeness of kind and its accompanying phenomena of imitation." I have contended that marginal utility does not depend on imitation even though it comes later in time. I have made no point about the order of marginal utility and imitation; I have said merely that the thought of marginal utility precedes society and social relations, as I understand these terms. Professor Giddings brought up the question of the relation between marginal utility and imitation, by his assumption that the latter phenomenon was the index of the existence of a society among groups where such acts are common.

Nor does the issue between Professor Giddings and myself depend upon whether "imitation is older than conflict among creatures of the same kind." My point is that the instincts that lead to conflict are older than the social instincts. When I used language which implied that the original form of conflict was between the members of a society, I thought that Professor Giddings meant to include the

phenomenon of hostile conflict among social phenomena. I supposed that the spider and the fly were to be regarded as members of a society because they have definite relations with one another, and influence each other's conduct. Afterward Professor Giddings denied that he meant to include such relations among social phenomena, and I agree with him in limiting social relations to those existing between beings of a kind. This limitation of the meaning of "association" and "society" excludes the phenomena of hostile contact between creatures of different kinds from social phenomena; but it does not diminish their importance nor weaken the proof of the fact that hostile contact comes earlier than friendly contact.

The growing intensity of initial utilities is, as I have shown, the outcome of this hostile conflict between creatures of different kinds. The one class becomes aggressive; the other becomes timid. There comes to each class a group of instincts corresponding to the needs of their situation. The aggressors seek to seize objects of desire and to destroy objects of pain. Anger, passion and other instincts, prompted by the growing intensity of utilities, spring out of these tendencies.

Among the victims of this aggression, a group of defensive instincts must develop. The instinct to flee from hostile objects comes first; but flight must be well directed, and to direct flight in the best direction the instinct of imitation arises. This instinct gives a better protection to an individual of this kind than he could acquire through his own invention. The necessity for flight is the cause of imitation. Like other social instincts it arises not among the victors but among the vanquished.

To my mind the presence of aggressive instincts is a better index of social relations than is the phenomenon of imitation. Mere imitation creates a group of runners. Each individual seeks to avoid a present danger by doing as others do. Aggressive or destructive instincts cause the individual to oppose the source of pain and to try to remove or destroy it. To acquire aggressive instincts, a being must have intense feelings of pleasure and pain, and by acting on the theory of initial utility be made conscious of the direct opposition of interests between himself and his opponent.

Aggressive instincts do not of themselves create social relations, but they must exist before a society is possible. They become social when they are directed against the environment of a group, and not against its members. No group of individuals is a society until they begin to react against their environment. It is their aggressive instincts alone that lead them to modify their environment so as to avoid its evils and to increase its utilities. A flock of blackbirds does not

in my opinion constitute a society. Such birds imitate one another only to the extent of flying together from the evils of winter. They do not reconstruct their environment by aggressive means as do the members of any true society.

If true societies grow up only among those beings who have aggressive instincts, it is a mere formal victory to show that beings who never develop into societies are imitative before other beings, who do ultimately form societies, have conflicts with each other. The real issue is whether or not the ancestors of social beings were hostile before they were social. I contend that an aggressive being will become hostile to one of his kind as soon as he is conscious of an opposition of interests. This opposition may be due to a lack of food or to a desire to gratify the sexual instinct. The vanquished in these contests become imitative, and are forced into poorer localities where they acquire other social instincts and finally create a society. Imitation thus follows conflict among creatures who become social although it may precede conflict among those creatures who never develop into a society.

I think that Professor Giddings misinterprets the facts he presents about amoebae and other low forms of life, and thus draws wrong conclusions about the origin of social feelings. Such a creature, as Professor Giddings says, learns by the contact of one part of his body with another to associate a certain touch with itself, and because of this feeling the one part does not try to absorb the other as it would foreign bodies fitted for food. When it touches another creature of the same kind, Professor Giddings assumes that it recognizes that it is in contact with another being of the same kind, and because of this fact refuses to absorb it. I think, however, that it mistakes this other creature for a part of itself and refuses to absorb it for the same reason that it refused to make food of one of its own parts. It is a case of mistaken identity due to a lack of development. The act is a part of an individual instinct to save itself from pain, and throws no light on the order in which social and individual feelings develop. It is safe to affirm that the feeling of identity of kind does not arise, until the individual instincts, which enable a creature to judge of its environment and of its relations to hostile creatures, are well developed. Its pleasures come from its environment, and its pains from its enemies. They must receive the first attention of any creature, and the instincts upon which it acts must be individual until other creatures of the same kind can be of some aid in the struggle for existence.

Professor Giddings complains because I did not answer his question as to how "an isolated individual too intensely conscious of initial utility to perceive any lesser degrees becomes aware of marginal utility and concludes to be sociable." I did not answer this question because



I did not make any statement upon which such a question could be based. In my first communication, I emphasized the fact that an un-social being enjoys "every possible degree of utility," but "there is no comparison of the successive states of feeling, and hence their relations to one another have no influence" on his conduct. I have not, therefore, to account for the acquisition of the power to perceive lesser degrees of utility, but for the acquisition of the power of contrasting and comparing these feelings. I, therefore, restated the question so as to make it conform to the statements I had made.

Although this answer does not seem conclusive to Professor Giddings, I must in the main reaffirm it although it can be made more complete. I agree with him when he says that the mere passing from plenty to scarcity will not tend to develop the power to contrast and compare initial and marginal utilities. The poorer environment that I had in mind was not one where scarcity was a perpetual condition, but one where plenty and scarcity alternate. A period of plenty destroys the opposition between individuals and tends to develop social relations. The period of scarcity puts them again in an attitude of opposition, but the memory of the period of plenty will still be vivid enough to have some influence on conduct during periods of relative scarcity where the demand for food can be partially but not wholly satisfied. Remembering the plenty of the past, and hoping for a new period of plenty, animals will be more likely to restrain their aggressive tendencies than if their environment was always good or always poor. The power to contrast feelings that arise from different conditions goes along with the power to contrast the conditions out of which the feelings arise. The progressive being is he who lives under a variety of conditions, and must, therefore, acquire the power to contrast them and the feelings which they generate in him.

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"SOCIAL," VS. "SOCIETARY."

As an expedient for reinforcing the "jargon" of sociology, I suggest mobilization of the word "societary" to relieve the overworked word "social." This substitution seems advisable in view of the difficulty, which I am persuaded is largely verbal, illustrated in the difference running through and complicating the current discussion in the ANNALS, between Professor Giddings and Professor Patten, as to what is and what is not a "social" science. Professor Patten appears to assume that in order to be properly called "social" a science must deal with associations supposed to be pervaded by the spirit of

goodfellowship, kindliness, companionableness, fraternity. Professor Giddings is attempting to vindicate the claims of a science which deals with phenomena embracing all the variations of hostility as well as of fraternity; but which seems open to challenge because it apparently disregards essential differences among the phenomena by applying to them generically the irenic designation "social." Professor Patten unquestionably has the support of etymology and popular usage for his contention, so far as it relates to the word "social" alone. I cannot discover, however, that the employment of this term by sociologists seriously interferes with their own clearness of thought about the coexistence of phenomena of attraction and of repulsion in and between the human associations indiscriminately called "social" groups. Yet it is becoming evident that the term "social" has to be employed with such varying shades of meaning, that it does not afford a perfectly satisfactory means of conveying the precise idea which the sociologists attach to it in different connections. Since the sociologists must admit that they have been using the term "social" both in the popular sense and with an extended meaning, there ought to be no hesitation about acknowledging that their language has in that respect been somewhat ambiguous. Neither should there be any hesitation about resorting to terms which will reduce the ambiguity to a minimum. I propose experiment, therefore, with the word "societary," to determine whether it may suit the purpose of designating more general phenomena than those which are "social" in the restricted sense.

Restoration of the term "societary" to common use in technical discussions will not prejudice any of the questions of methodology or classification at present in controversy. There are obviously phenomena pertaining to and characteristic of the relations of individuals living under the conditions of the various kinds of contact consequent upon occupancy of contiguous or communicating territory. Individuals so conditioned, whether in sympathy with each other or not, or whatever the kind or degree of their sympathy, are not simply individuals; they are perforce members of a reciprocally limiting association of individuals, and as such they are modified individuals; just as neither of the three atoms of oxygen in a molecule of ozone is, in that condition, an atom of free oxygen.

There may be etymological objections to employment of the noun "society" to designate groups, or combinations of groups of individuals, whose contacts with each other are not presumed to be predominantly sympathetic; yet we call such reacting individuals "societies" generically, without intentionally committing ourselves to a theory about the quality or the implications of the association. The objective

fact of continuous reciprocal influence between individuals determines our treatment of them, and our language about them, as a group or a "society." In any such "society" there are procedures which we are obliged to think of as purely individual, while there are other actions which are as obviously consequent upon the relation of association or contact. To these latter phenomena, in their most general characteristics, the term "societary" may be applied without occasion for misapprehension.

I do not wish to intrude upon the debate between Professor Giddings and Professor Patten, but I hope it will not be impertinent for me to make their argument an occasion for pointing out that there are most significant phenomena of inter-group relationship, within which sympathy can be posited only by the most questionable *a priori* reasoning. All the sciences of society have more or less to do with these phenomena. The proposed term "societary" would conveniently and appropriately designate these phenomena, and it would be of service, regardless of our hypothesis or of our ultimate conclusion with reference to the essence of human association. Thus the evolution of tribes, races, nations, governments, as well as of inferior groups, has to be interpreted not merely by estimate of reactions within the groups, but by calculation also of reactions between each group and other more or less similar groups, between which there may have been a very moderate minimum of that "consciousness of their identity in kind" which Professor Giddings presupposes. If this consciousness actuated the "chosen people" in their contacts with the "gentiles," or the Romans in their contacts with "barbarians," or Turks or Chinese in their contacts with Christian "dogs" and "swine," it was a consciousness, the content of which must be classed with that of other remote metaphysical categories. Until comparatively recent times no compatriot metaphysician could have convinced many members of such groups that their conduct toward the antagonistic group was rooted in appreciation of likeness. The evolution of society has gone forward under conditions of contact between group and group which implicitly repudiate a large proportion of the implications of identity. Yet these predominantly hostile contacts of human groups constitute a very considerable portion of the data in which we have to discover the forces and the processes of the evolution both of societies and of society. The confessed incongruity and inconvenience of employing the sympathetic term "social" however, for phenomena both of sympathy and hostility, amounts to a demand which the term "societary," seems to me fitted to supply.

It was with reference to the foregoing distinctions that I ventured to substitute for the formula—"sociology is the science of the phe-



nomena of contract," the more widely generalized proposition;—"sociology deals especially with the phenomena of *contact*." \* Thus Japan and China, during the progress of the war in Corea, are furnishing sociological data, just as they will be under the terms of the consequent treaty, and the data in the former case are "social," according to the sociologists' connotations, just as much as in the latter; that is, they are phenomena not of isolated, individual life, but of group or societary action and reaction. The like is true of the American Railway Association, and the Association of General Managers. The ordinary connotations of the term "social" however, are undoubtedly less inclusive, and there is conscious awkwardness and embarrassment in discussion, growing out of the necessity of frequent transition from use of the term "social" in its traditional and popular sense, to the more arbitrary sense which we have tried to fix upon it for technical purposes. This being the case, I am convinced that advantage will be gained by substituting the term "societary" in connections which do not demand the more specific term.

This expedient suggested itself recently, while for the hundredth time I was trying to invent satisfactory equivalents for the terms *Socialwissenschaft* and *Gesellschaftswissenschaft*. These words mean, to most writers and readers, precisely the same thing. If an author prefers one of them, it is on purely superficial grounds, and the employment of both is merely *oratio variata*. The Latin portion of the former word is of course etymologically restricted precisely as it is in English. It consequently lends itself to the same ambiguity. It fares no better with the German substitute in the latter word; and the adjective *gesellschaftlich* is by derivation and custom even more completely devoted to expression of friendly relations than are the German or English derivatives from the Latin root. As I have remarked above there is a clearly distinguishable body of phenomena, however, which terms containing connotations of fraternity do not naturally comprehend. I fancy that a few German writers are trying to be consistent in applying one of the above terms to the more inclusive category, reserving the other for the more special relations characterized by friendliness, but I have discovered no case of marked success in the attempt. At all events it seems to me that in this instance English terminology may adapt itself more readily than the German to expression of a necessary distinction. Whether we assume or not that sympathetic feelings are characteristic of societies as such, or that sympathy is the cohesive force of societies as such, we have to deal with societies in conditions in which the spirit of hostility is more demonstrative than the spirit of co-operation. We obviously need

\* Small and Vincent. "Introduction to the Study of Society," p. 60.

then a word plainly appropriate to the phenomena of societies as such, without prejudgment of the content or quality of the phenomena. We have the word ready made. Whatever is *of or pertaining to society* is "societary." The word stands for the last abstraction of the reality "society," and in spite of its community of origin with the word which has become a cause of offence, there should be no difficulty in applying the term "societary" so as to avoid most of the ambiguity lurking in the more attributive form "social."

The need of thus enlarging our vocabulary impressed me very forcibly in connection with Dr. Simmel's latest discussion of the task of sociology.\* That paper seems to me to contain an important contribution to societary analysis, although I should be sorry if the name sociology should be restricted to the application for which Simmel contends. He makes it very clear that there is a field for investigators for which I can find no more exact phrase than "societary science," though I should regard it as unfortunate if the phrase were restricted to the limits which Simmel proposes. To me the problems which he would include in this department of science present themselves as a natural division of descriptive sociology. The relation of this division to other groupings of the subject-matter in closest connection with it seems to me, in more respects than one, very much like the relation of geometric crystallography, first to mineralogy and later to departments of knowledge in less immediate connection with crystallography. I should say in particular that the same difficulty which is experienced in the case of crystallography and mineralogy in keeping the definable boundaries distinct in practice, would be encountered in attempting to maintain the separate existence of the aspect of societary science which Simmel would name sociology.

Simmel says: "Society in the broadest sense evidently exists wherever several individuals come into inter-relation. From ephemeral union for a promenade to the intimate unity of a family or of a mediæval guild, there are socializations (*Vergesellschaftungen*) of the most diverse grades and kinds. The special causes and aims without which, of course, societary formation is never accomplished, constitute in a degree the body or material of the associational process. That the outcome of these causes, the furthering of these aims, produces reciprocity or socialization between their agents, is the form in which these contents clothe themselves; and upon the dissociation of this form from these contents, by means of scientific abstraction, depends the whole existence of a special *Gesellschaftswissenschaft*." (Can we translate the thought more accurately than in the phrase *societary science*?) "This follows from the fact that the same form, the same

\* "*Das Problem der Sociologie*," in Schmoller's *Jahrbuch*, 1894, pp. 1301 *et seq.*

species of societary structure, may emerge with the most dissimilar material, for the most unlike purposes. Thus there is not only 'society' in the most general sense, in the case of a religious community as in the case of a band of conspirators, in the case of a trade organization as in that of an art school, in a popular assembly as in a family—but further formal similarities extend to the special configuration and developments of such associations. In the case of societary groups which in their purposes and in ethical character are most widely contrasted, we find for example the same forms of superior and inferior order, of competition, of opposition, of division of labor; we find the structure of a hierarchy, the incorporation of the constructive principles of the group in symbols, the division into parties, the various stages of freedom or bondage of individuals in relation to the group, the crossings and stratifications of the groups themselves, definable forms of reaction of the groups against external influences, etc. All this . . . is a realm of phenomena susceptible of distinct abstraction, viz., the phenomena of the integration of societies as such, and of their various forms."

The consideration which I urge is not dependent at all upon agreement with or dissent from Simmel's program of a distinct science of societary geometry or morphology; it does not stand or fall with agreement or refusal to employ the term "sociology" in any proposed sense; it does not require adoption of any implied estimate of the relative importance of the phenomena of attraction and of repulsion in human society. It gets its force from perception that the facts about society cannot be thoroughly analyzed and correctly correlated unless, during certain parts of the process, they be viewed in their purely objective aspects, not as demonstrations of motive but as forms of contact between individuals—as societary phenomena in the most general sense, distinguished on the one hand from phenomena of isolated individual activity, and on the other hand from phenomena of those particular orders or conditions of society which are evolved or preserved by sympathy. Whether we agree or not with Simmel about the desirability of a distinct science of societary forms, I submit that it is worth while to see if it is possible to eliminate an element of confusion in discussion, by withdrawing the term "social" from use in cases where it is unnecessary for the purposes of the argument to predicate conscious and positive sympathy as an element in the phenomena, and by substituting the less equivocal term "societary."

ALBION W. SMALL.

*University of Chicago.*



## PERSONAL NOTES.

### AMERICA.

**Boston University.**—Dr. Foy Spencer Baldwin has been elected Assistant Professor of Political Economy and Social Science at Boston University. Professor Baldwin was born at Charlotte, Mich., July 6, 1870. He obtained his early education at the public schools in Maine and the Brunswick Academy, South Brunswick, Me. In 1884 he entered Boston University and graduated in 1888 with the degree of A. B. For a year after graduation he was assistant editor of the *Vermont Watchman* of Montpelier. The next two years he taught in St. Luke's School, Philadelphia. During 1891-92 he was Instructor in English at Boston University. He was then appointed Jacob Sleeper Fellow and went to Germany to study under Schmoller at Berlin, and under Brentano at Munich. In July, 1894, he received the degree of R. P. D. (*summa cum laude*) from the University of Munich, having received in June the degree of Ph. D. from Boston University. During the past year he has been Instructor in History and Political Economy at the Norwich Free Academy, Norwich, Conn.

Professor Baldwin has written :

"*Die Anfänge der englischen Bergwerksgesetzgebung.*" Pp. 46. Stuttgart, 1894.

"*Die englischen Bergwerksgesetze ; ihre Geschichte von ihren Anfängen bis zur Gegenwart.*" Pp. 258. Stuttgart, 1894.

**Chicago.**—Dr. Elgin R. L. Gould has been appointed Professor of Statistics at the University of Chicago. He was born August 15, 1860, at Oshawa, Ontario, Canada, and received his early education at home. He attended the Victoria University, Cobourg, (now at Toronto,) where in 1881 he received the degree of A. B. He then entered at Johns Hopkins University for graduate study, where in 1886 he secured the degree of Ph. D., his studies having been interrupted for a time by a serious illness. During the years 1884-7 Dr. Gould was instructor in charge of the Department of History and Political Economy in the Washington (D. C.) High School. In 1885 he conducted an official inquiry in Belgium and Germany for the Department of Labor, and in 1887 became permanently connected with the department as a statistical expert. He has been especially identified with the work of the department abroad, having spent four

years there in prosecuting various inquiries. In 1887-8 Dr. Gould was Reader in Social Statistics at the Johns Hopkins University, where since 1892 he has held the post of Resident Lecturer on Social Economics and Statistics. He has represented the United States Government at various international congresses, and is a member of economic and statistical societies at home and abroad, notably the International Statistical Institute, Société d'Économie politique de Paris, the American Academy of Political and Social Science, and the American Statistical Association, of which he is the corresponding secretary.

Dr. Gould's writings include :

"*Modern Materialism.*" New England Review, July, 1882.

"*Local Government in Pennsylvania.*" Johns Hopkins Studies. Series I, Vol. 3. Pp. 20. 1883.

"*Mining Laws of the United States*" (in "Mineral Resources of the United States, published by United States Geological Survey"). Pp. 80. 1886.

"*Park Areas and Open Spaces in European and American Cities.*" Publications of American Statistical Association. Vol. I. Pp. 12. 1888.

"*American Municipal Hygiene in Relation to the Housing of Labor.*" Proceedings International Congress of Hygiene and Demography. Vol. XII. Pp. 16. London, 1891.

"*The Progress of Labor Statistics in the United States.*" Bulletin de l'Institut international de statistique.

"*The Value of Labor Statistics.*" Report of Royal Commission on Labor. London, 1892.

"*The Social Condition of Labor.*" Johns Hopkins Studies. Series XI, Vol. I. Pp. 42. 1893.

"*The Gothenburg System of Liquor Traffic.*" Special Report of United States Department of Labor. Pp. 253. Washington, 1893.

"*The Gothenburg System in America.*" Atlantic Monthly, October, 1893.

"*European Bureaus of Labor Statistics.*" Yale Review, February, 1894.

"*The Gothenburg System and Our Liquor Traffic.*" Forum, March, 1894.

"*How Baltimore Banished Tramps and Helped the Idle.*" Forum, June, 1894.

"*The Temperance Problem, Past and Future.*" Forum, November, 1894.

"*Social Improvement of Industrial Labor.*" Engineering Magazine, December, 1894.

"*Industrial Conciliation and Arbitration in Europe and Australasia.*" Yale Review, February, 1895.

"*Popular Control of the Liquor Traffic.*" Pp. 102. Baltimore, 1895.

"*Housing of Working People.*" Special Report of the United States Department of Labor. (In Press.) Pp. 500.

**Columbia.**—Professor John B. Clark\* will assume, July 1, 1895, the duties of Professor of Political Economy at Columbia College. To the list of Professor Clark's writings already published should be added :

"*The Genesis of Capital.*" Yale Review, November, 1893.

"*A Universal Law of Economic Variation.*" Quarterly Journal of Economics, April, 1894.

"*The Modern Appeal to Legal Forces in Economic Life.*" Publications of American Economic Association, Vol. X, Nos. 5 and 6. (In Press.)

"*The Origin of Interest.*" Quarterly Journal of Economics. April 1895.

#### AUSTRIA.

**Prague.**—Dr. Robert Zuckerkandl has recently been appointed extraordinary Professor of Political Economy at the German University at Prague. He was born December 3, 1856, at Raab (Hungary), and received his early education at a gymnasium in Budapesth. From 1874 to 1878 he studied in the University of Vienna, where in 1879 he received the degree of Doctor juris. In 1886 he became Privat Doцент for Political Economy at the University of Vienna, and was chosen in 1890 a member of the official examining board in the political sciences. Professor Zuckerkandl's works include :

"*Zur Theorie des Preises, mit besonderer Berücksichtigung der geschichtlichen Entwicklung der Lehre.*" Leipzig, 1889. Pp. 384.

"*Das neue oesterreichische Anerbenrecht.*" Conrad's Jahrbücher N. F. Vol. XIX. 1889.

"*Johann August Schlettwein.*" Allg. deutsche Biographie.

"*Die klassische Werththeorie und die Theorie vom Grenznutzen.*" Conrad's Jahrbücher, N. F. Vol. XXI. 1890.

"*A. Marshall's Principles of Economics.*" Ibid., 1891.

"*Litteratur zur oesterreichischen Währungsfrage.*" Ibid., 1892.

"*Beitrag zur Dogmengeschichte der Schutzzollidee.*" Zeitschrift. für Volkswirthschaft, etc. 1892.

"*Die indische Währungsänderung.*" Ibid., 1894.

"*Die bimetallistische Bewegung in England.*" Conrad's Jahrbücher. 1893.

\* See ANNALS, vol. i. p. 291, vol. iii. p. 235, and vol. iv. p. 165.



And the articles, "*Allgemeine Theorie des Preises*" and "*Statistische Bestimmung des Preisniveaus*" in Conrad's *Handwörterbuch*.

## GERMANY.

**Göttingen.**—Dr. George Hanssen, emeritus professor at the University of Göttingen, died in the latter part of 1894.

He was born July 31, 1809, at Hamburg, where he received his early education. In 1827 he entered the University of Heidelberg as a student of law and political science, where he came under the influence of Rau. He studied later at Kiel where, in 1831, he secured his doctor's degree. In 1834 he went to Copenhagen where he was employed as secretary in the German division of the administration of taxes and commerce. In 1837 he became ordinary Professor of Political Economy and Statistics at Kiel, whence in October, 1842, he went in alike capacity to Göttingen. In 1848 he accepted a call to Leipzig and in 1860 to Berlin. In 1869 he returned to Göttingen to his former position. His publications were exceedingly numerous and we can mention only those which appeared in book form.\*

"*Agriculturae doctrina Cathedris Universitatum vindicata*," Altona, 1832.

"*Historisch-statistische Darstellung der Insel Fehmarn*." Altona, 1832.

"*Statistische Forschungen über das Herzogtum Schleswig*." Heft I. Heidelberg, 1832. Heft II. Altona, 1833.

"*Ueber die Anlage von Korndampfmaschinen in den Herzogtümern Schleswig und Holstein*." Kiel, 1838.

"*Holsteinische Eisenbahn*." Kiel, 1840.

"*Das Amt Bordesholm im Herzogtum Holstein*." Kiel, 1842.

"*Die Agitation wider den Septembervvertrag von 1851*." Oldenburg, 1851.

"*Ein Beitrag zu den Debatten über die oldenburgische Zollanschlussfrage*." Oldenburg, 1852.

"*Die Aufhebung der Leibeigenschaft und die Umgestaltung der gutsherrlich-bäuerlichen Verhältnisse überhaupt in den Herzogtümern Schleswig und Holstein*." St. Petersburg, 1861.

"*Die Gehöferschaften im Regierungsbezirk Trier*." 1863.

"*Hannovers finanzielle Zukunft unter preussischer Herrschaft*." Hanover, 1867.

"*Agrarhistorische Abhandlungen*." Vol. I. Leipzig, 1880. Vol. II. Leipzig, 1884.

\* An exhaustive bibliography including articles in periodicals can be found in Conrad's *Jahrbücher*, Neue Folge, Vol. I. p. 362.

## SWITZERLAND.

**Lausanne.**—Charles Secretan, the celebrated Swiss philosopher and sociologist, died January 22, 1895, at Lausanne. He was born at Lausanne, January 19, 1815, and after pursuing literary and philosophical studies at the academy of his native city went, in 1836, to Munich where he studied under the direction of Baader and Schelling. In 1838 he became Extraordinary and in 1841 Ordinary Professor of Philosophy at Lausanne. Dispossessed of his chair by the revolution of 1846 he occupied himself with journalism and private teaching. In 1850 he assumed the instruction of history in the gymnasium of Neuchâtel. In 1866 the government of Vaud recalled him to his former chair at Lausanne. In 1887 he was elected an associate of the Institut de France. M. Secretan was a contributor to the *Revue d'économie politique*. Among his publications in book-form are :

"*Philosophie de la Liberté.*" 2 vols. 1849.

"*La raison et la Christianisme.*" 1863.

"*Le principe et la morale.*" 1884.

"*La question sociale.*" 1886.

"*Le droit et la femme.*" 1887.

"*La civilization et la biogance.*" 1888.

"*Questions sociales.*" 1889.

## BOOK DEPARTMENT.

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### REVIEWS.

*La Monnaie, le crédit et le change.* Par AUG. ARNAUNÉ, Professeur à l'école des sciences politiques. Price, 7 francs. Pp. 402. Paris: Félix Alcan, 1894.

This book is a valuable compendium of data treating of various monetary systems. It gives a good idea of what money is and a brief historical survey of the money of different nations, but concentrates its efforts on the gold, silver and bank-note question, with a final chapter on checks and clearing-house certificates.

The author says in his preface, that he does not intend to be controversial, but he indicates strongly that he does not believe in the possibility of forcing people to accept the two metals on the same scale at a fixed ratio. He seems to believe, with many of the best economists who are theoretically monometallists, that silver has still its place in the world, and can and must be of use to mankind. But a time will come, says M. Arnauné, when silver will sustain a relation to gold similar to that which copper now bears to silver.

Japan may after the war be more inclined than before to consume gold. Her successful imitation of European civilization in other matters may also lead her to compete for gold. M. Arnauné's theory of the value of the precious metals is the well-known classical one. His tables of the variations of the value of gold and silver in past centuries and in modern times are useful to the student, who will find here an abstract of the statistics of Leech, Soetbeer and other standard authorities.

The author gives us a brief history of the mintage systems of different nations. He reminds us that in early times ideas of weight and value are combined. He discusses the successive disestablishment of various metals, for example copper, and now silver. He discusses the variation in the value of the precious metals, and shows the enormous difficulty in ascertaining it; he gives the systems adopted by Mr. R. H. Inglis Palgrave, M. de Foville, and M. Levasseur. In the middle of this century there was a rise in prices, which was generally considered as an effect of the depreciation of gold, as Stanley Jevons showed in his pamphlet: "A Serious Fall in the Value of Gold Ascertained and its Social Effects Set Forth."



Since 1873 the value of silver has fallen continually till now, when it is worth less than one-half of its former price, thus bringing about a new alteration in the monetary equilibrium of the world. This is the first reason given why gold has again appreciated and prices of the greatest number of goods have fallen. Another reason, upon which M. Arnauné insists strongly, is the development of modern industry, through which many products, like steel, iron, chemicals, are made at a much lessened cost and can be sold much cheaper than formerly.

But there is one feature of the present situation in the economic world which the book does not mention, and which seems to us to be of considerable importance and to overthrow in a certain sense M. Arnauné's whole theory,—at least on its monetary side—so far as he tries to explain the fall in prices. Stocks, bonds and shares are dearer than at any previous period of the century, as are also salaries, wages and rents; for them, gold seems to have lost part of its value, while it has gained value when compared with other materials. What can be the explanation? A decrease in supply is not the answer, because everyone knows the quantity of bonds and shares of every kind, issued by governments or private corporations, has greatly increased in the second half of the present century. Is there a still greater increase in the demand for this kind of investment? That may be; but in all events the question is not settled, and the discrepancy in theories accounting for the general collapse of prices wants accurate study and an explanation which economists have not yet satisfactorily given.

We cannot entirely agree with M. Arnauné when he says that the classical theory explains fully the fluctuations in the precious metals. Admitting that the enormous increase of silver production has lowered the value of silver, the increase of gold production between 1850 and 1860 did not have the same effect on the value of gold when compared with silver at the same time. Again, the inclination of men to accept or refuse gold or silver at certain times, is a very important cause in considering the rise or fall in the value of the metals. The world produced in 1894 one-third more gold than in the past few years; nevertheless prices have fallen during the past year *as they never* did before. During the same time silver has remained steady, almost unchanged. Therefore we only need to compare gold with other commodities (for example wheat and wool). If the question of supply and demand is the only factor how can we explain the fall in price of wheat and wool, of which the supplies have not increased, in view of an increased amount of gold?

In the following chapters M. Arnauné gives us the theory of bills of exchange, checks and bank notes. He says the first idea of an

idealistic representation of values was embodied in the bill of exchange. Perhaps the promissory notes of the Assyrian, which have been recently found, engraved on earth clay cubes, are still more ancient. We think also that a simple receipt of gold or silver, or any other money, which is at the bottom of the idea of bank note, must have been used in very old times; however, history has given us no record of it. The absence of paper, which is such an inherent part of our modern life, prevented formerly a more rapid diffusion of this very elementary kind of credit, the highest incarnation of which is the bond and the share. In this form billions of billions are embodied in a few lines, and everything in the world, even the soil, the houses, not to speak of personal property, are exchangeable at all times between the remotest spots.

Having explained the mediums of circulation, the author analyzes their mechanism. For small payments, money is daily used; but as soon as payments grow larger, and specially for payments between trading people, instruments of credit are required; they are indispensable for payments from one city to another, from one country to a foreign country. Gold and silver quotations in London and Paris are given and explained. Then follows an explanation of the main exchange operations, remittance, drawing, buying of bills, direct and indirect remittances. The theory of foreign exchanges, which Goschen has so ably discussed, is condensed in one chapter: First, treating of countries where money is metallic and where balance of trade (in the most general sense) and rate of discount are the predominant factors and the gold point fixes the limit of rise or fall; secondly, countries where paper money is used and no limit can be previously foreseen for the oscillation of the exchange. We have tried in another place\* to indicate scientifically the scale of these latter movements.

The relation between exchange and gold movements, gold price and discount rate having been explained, the author proceeds in the second part of his work to study the different systems of metallic moneys.

The monetary system of France since the adoption of the law of Germinal An XI, this law itself, the mintage rules which fix the seigniorage at 7.44 frs. for one kilogram of gold and 1.30 frs. for one kilogram of silver, are clearly summed up. The author explains very clearly how gold moves and under what circumstances it will be brought to the mint or sold to the bank, or mortgaged for bank notes at a certain rate. Taking into account the mint expenses, the real relation in France between gold and silver is not 15.50, but 15.58; as soon as the relation showed a tendency to differ from this latter figure,

\* See essay on Exchanges in "*Mélanges financiers*," by Raphael Georges Lévy. Paris, 1894. Reviewed in ANNALS for September, 1894.

metal movements began; silver, for instance, was exported as soon as the relation was 15.56, long before it fell below 15.50.

The legal tender moneys in France are the gold pieces and the five-franc silver pieces, commonly called *écus*—they are legal tender for any debt; fractional silver and bronze pieces, only to a limited extent. A list is given of the foreign coins which are officially admitted as legal tender by the public treasuries in France: the question of wear and tear of gold is carefully explained. The government since 1889 has been active in refunding the light twenty franc pieces, so that at present the average is heavier than it was a few years ago.

In France the standard is legally silver, practically gold. Since the beginning of the century, remarkable waves have brought in or carried out of the country large supplies of both metals. M. Arnauné reviews the history of the Latin Union,\* and discusses the monetary problem in France. M. de Foville thinks that France has four billions of gold, two billions of silver in five-franc pieces, of which 600 millions are Belgian, Italian, Greek and Swiss; these latter are legal tender in France by virtue of the Latin Union. After a discussion of the recent monetary conferences, the writer says he does not think that the monetary problem can be practically solved. The wisest policy seems to him not to alter a situation which might be better, but which after all is tolerable, and which the slightest imprudence may imperil.

A chapter is devoted to the English monetary system, one chief feature of which is the free coinage of gold without any charge to the depositor, a result of Lord Liverpool's policy. Practically, the Bank of England buys gold at £3.17.9 per ounce; *i. e.*, only  $1\frac{1}{2}d.$  less than the mint rate, and all charges together are  $2\frac{1}{2}$  per mille; so people go the bank because the difference is less than the loss of interest through the mintage regulations would be.

One interesting feature of the present state of things in England is the revival, or rather the growth, of an active bimetallic party in which we find men of the highest standing, like Balfour, Barbour, Chaplin, Samuel Montagu, Gibbs, Grenfell, etc. However, the position of England on the question seems always to be the same, *viz.*, to encourage others to do something for silver, but to adhere herself strongly to the gold standard. Even in India she discarded free silver coinage in 1893.

The monetary system of Germany is a gold standard with a few hundred millions of old silver thalers which are still legal tender. In Chapter VI a good account is given of the monetary system of the

\* Compare "*Le Metal Argent à la fin du XIXe Siècle. Histoire de l'Union Latine*," by Ludwig Bamberger, translated by Raphael Georges Lévy.



United States from 1792, when a bill providing for a bimetallic system with a gold and silver dollar in the proportion of one to fifteen was adopted, to the Repeal Act of 1893, when silver purchases were finally stopped.

A very interesting chapter, and one which may be of peculiar interest to American students who are not acquainted with the matter, is the seventh, in which the monetary system of Indo-China is explained. Theoretically, the system is very remarkable. The state does not claim to fix a certain relation between gold and silver, but to give the pieces the names of the weights to which they correspond exactly. Commercially, all the different pieces of metal are nothing but a definite quantity of gold, silver, copper or tin. The system has been quoted by Herbert Spencer as noteworthy; it certainly comes near to theoretical perfection. Mr. Atkinson has in the same way proposed the free issue of silver coins with a mere indication of their weight. The public could then accept or refuse them.

In Indo-China one finds other systems as well; for example, the piastre (dollar) system, which has been introduced since the French conquest, the Mexican old dollar, the Mexican eagle dollar, the American trade dollar, and, finally, the French dollar. The last one is coined in the Paris mint, and has been legal tender since 1885. It contains 24.4935 grains of silver.

Indo-China must be considered as a silver standard country, silver being practically the clearing medium of all the business there. So it is necessary to compute all the expenses and receipts of the French Government in Asia and of the colonies in those silver dollars and not in francs, as it has been formerly the practice. The exchange losses must be born by the budget.

The third part of M. Arnauné's book is devoted to the various systems of fiduciary circulation—bills of exchange, checks and bank notes. Notes have made the movement of metals every day less important, and checks and other clearing mediums now often take the place of notes. M. Arnauné gives a summary notice of the issues of the Bank of France, of England, of the United States, and recalls the most important features of their history, viz., legal tender acts in France in 1848 and 1870, suspensions of the Bank Act in London (1847, 1857 and 1866), greenbacks, national bank notes, treasury certificates, currency, gold and silver certificates, treasury notes in the United States.

Coming to the question of inconvertible paper currency, we look first at the countries where it has been, as it ought always to be, only a temporary phenomenon, as in France twice, at time of the Revolution of 1848 and of the German war (1870), in England from 1797 to

1820. In these two latter cases it simply meant the borrowing of large sums of money from the Bank by the government. The case in the United States was different, as the paper was issued directly by the Treasury (1862 and 1863). Gold premium rose in America to an enormous height, and prices of many goods were doubled or even tripled. The fourth country quoted is Italy, which nominally resumed specie payments in 1881, but is now under a practical paper currency system. Besides the three banks (Bank of Italy, of Naples and of Sicily) which are entitled to issue notes, the government itself is enabled to do so to the extent of 600 millions of francs (120 millions of dollars), and is not required to redeem these notes. The gold premium rose in 1894 to 12 per cent, and is at present about 8 per cent.

This study ought to be extended to another class of countries, where the paper currency does not seem to be a temporary evil, but has taken the shape of a chronic disease; for example, Russia, which in other respects has wonderfully improved her economic situation since the last decade; the South American Republics, Brazil, Argentine and Chile. Some attempt should be made to analyze the paper currency of these countries, and to explain their violent and enormous fluctuations. Austria has also had a very curious and interesting experience, being at present engaged in the hard work of getting rid of her inconvertible paper and introducing specie payments.

In the chapter on checks the peculiar character of banking in England is clearly explained and the growing importance of checks for clearing every kind of debt; for instance, at the Bank of England 87½ per cent are paid in transfers, 12¼ per cent in bank notes, and only ¼ of 1 per cent in coin. In America the same figures are about 90.43 per cent, 8.10 per cent, and 1.47 per cent.\* In the London clearing-house in 1893 the business handled aggregated £6,500,000,000; i. e., over thirty-two billions of dollars. All these balances were cleared, without payment of one penny of coin.

The last chapter is devoted to the securities or basis upon which paper currency is issued. Paper is not only representative of the precious metals in which it is redeemable; it also is often a medium of credit, and here lies its strength and its danger. The management of banks is a most delicate task. They cannot restrain their issues of notes to the sum of coin or bars kept in their vaults. On the other side, they must always be ready to redeem freely all outstanding notes. Practically, all the notes are never brought at once to the offices of the bank in order to be exchanged for gold or silver, but the question of this possibility must always be taken into consideration by

\* See Arnaud, pp. 373 and 374.

bank directors. In England the drawback is the small amount of gold in the bank and even perhaps in the country, which in a certain sense is the clearing-house of the world. Attention was called to this lack of gold by Mr. Goschen after the panic of 1890. In France the supply of gold in the vaults of the Bank and also in the hands of the public is considerable. The bank can keep the gold because, practically, gold is always in abundant supply in France, and all exchanges of late have been in favor of that country.

M. Arnauné's book is essentially what the Germans call "*Nachschlagswerk*." All the figures and calculations which it contains are most carefully drawn and the doctrine is sound. It is a valuable contribution as a financial encyclopædia, and will prove useful to all students in economics.

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*Proceedings of the National Conference of Charities and Correction at the Twentieth Annual Session held in Chicago, Ill., June 8-11, 1893.* By ISABEL C. BARROWS. Pp. xiv, 498. Price, \$1.50. Boston: Geo. H. Ellis, 1893.

This twentieth volume of the National Conference papers marks an epoch in the development of American charities. As the National Conference of 1893 was to meet in connection with the International Congress of Charities, the usual discussions of methods and principles were reserved for the more general assembly, and the program of the National Conference was devoted to the recounting of the actual progress which has been made in the administration of charities and correction in this country since the Conference began its stimulating meeting, twenty years before.

Several of the papers were prepared with great care, and the resulting volume is a most valuable compilation. Some of the papers, in accord with the design, are historical, while others attempt little else than a presentation of the present state of charitable work in some particular location or in some special line of activity. In either case it will largely be to this volume that reference will be made in order to measure the progress of future years.

The presidential address by Hastings H. Hart tells of the many ways in which the National Conferences have contributed to the progress of the past twenty years in the administration of charities and correction. The Conference is characterized under the five headings: its catholicity, its optimism, its practicality, its personnel, and the simplicity of its organization.

The History of State Boards of Charities was written by Oscar Craig, president of the New York Board. Charles D. Kellogg of the Charity



Organization Society of New York City describes the Charity Organization movement in America which was permanently inaugurated in Buffalo in 1877, and now embraces ninety-two associations. The report is carefully prepared and includes an extended tabular presentation of the work of the different societies.

The catholicity of the Conference is illustrated by the paper on the History of Indoor and Outdoor Relief, in which advanced principles are disparaged, and the opinion is expressed that "actual suffering" "give little promise of ever being less," while missionaries are advised "to introduce their religious exercises with a basket of provisions or a receipt from the landlord for a month's rent!"

The next paper is the History of Immigration, by Dr. Charles S. Hoyt of the New York State Board of Charities. The National Conference has had a standing committee on immigration since 1880 and the restrictive measures which have been enacted by Congress have been largely due to its initiative. An account of the progress of immigration and of the various restrictive measures is given in compact form.

The remaining historical papers are on: Child Saving, by C. D. Randall; Reformatories, by Rev. J. H. Nutting; The Prison Question, by General R. Brinkerhoff, including reports from nearly all the States and Territories; The Feeble Minded, by Dr. Walter E. Fernald, and The Insane, by Dr. C. Eugene Riggs. General Brinkerhoff's report is especially complete. Dr. Riggs' paper, while mentioning fewer dates and special institutions, gives a detailed account of improvements in the care of the insane, with a fair statement of the contending views regarding the care of chronic cases, and many valuable suggestions for the management of hospitals.

The Conference Sermon, by Washington Gladden, takes its theme from the Bible passage, "Bear ye one another's burdens, and so fulfill the law of Christ . . . For every man shall bear his own burden," and reaches the conclusion "that our bearing of our neighbors' burdens must always be of such a kind that it shall not relieve him of his own burdens, but shall make him strong and willing and proud to bear them." Reports from State corresponding secretaries, and the Minutes and Discussions complete the body of the book.

These twenty volumes of National Conference Proceedings, presenting as they do the best thoughts of earnest workers tempered by practical experience, make up an invaluable library for students of applied sociology. Every such student will be gratified to find at the close of this volume a topical index to the principal papers in the whole nineteen volumes which have preceded it. For this general index we are indebted, as the preface states, to the volunteer work of Mr. George G. Cowie, of Minnesota.

DAVID I. GREEN.

*Brook Farm: Historical and Personal Memoirs.* By JOHN THOMAS CODMAN. Pp. viii, 335. Price, \$2.00. Boston: Arena Publishing Company, 1894.

The college librarian, who some years ago told a certain inquiring student to look under "Agriculture" for information about Brook Farm, was not altogether without excuse. Here and there in an essay, a novel or a biography one phase or other of that interesting social experiment was presented. The files of the *Harbinger*, too, were not inaccessible, but that journal gave strangely little of local coloring.

Fortunately posterity will not have to rely upon such incomplete and unsatisfactory testimony. The Brook Farm Association was already well established when John Thomas Codman, then a lad of seventeen, came to the Farm as a "probationer." Two years and a half of intimate contact with the Associates as teachers and friends, in prosperity and in adversity, fitted him to speak with both authority and interest.

The first two chapters are historical, tracing the origin of the Association in the thought of George Ripley, its organization as an "Institute for Agriculture and Education," its first, or "transcendental," stage, in which the school was the prime interest, and the Associates were choice spirits from the "privileged classes," and its second, or "industrial" stage, in which the attempt was made to carry out the social teachings of Fourier, some of whose doctrines they had already unwittingly adopted, and to add various mechanical industries to those already commenced, at the same time abandoning all exclusiveness and class restrictions. In the later chapters personal reminiscence is the principal element; the appendix contains interesting letters from students, inquirers and applicants, replies from Mr. Ripley, and an "outside view of Brook Farm Associative Articles."

Not the least charm of this book is found in its vivid sketches of familiar characters in unfamiliar rôles. It is a novel experience to watch such latter day friends as Ripley and Dana, Hawthorne and Curtis, devoting all their youthful enthusiasm to the actual working out of a radical reform of society.

Rarely has "plain living and high thinking" had a more instructive trial. For five years men and women of rare ability and of steadfast devotion to a noble ideal persisted in this Brook Farm experiment. Why did it not succeed? To this question Mr. Codman gives several answers. The sources of income were few. From the beginning the Associates were sadly hampered by lack of capital. The burning of the Phalanstery, just as it was nearing completion, was a dead loss. The site was ill-chosen; it was inaccessible and ill-adapted to agriculture. Several of the industries proved unfortunate selections, requiring

large initial outlay for a distant return. Again, "associationists" were divided; energy and capital, which might have given prosperity and length of days to Brook Farm, were diverted to the founding of new social experiment stations under slightly different conditions. In short, "the inevitable mathematics of finance were against them."

Yet to the workers the end was not failure; success crowned the undertaking, if success be measured in the development of individuality, in the enrichment of character, and in the Brook Farmers' persistent and growing faith in the ultimate success of association life and doctrines.

GEORGE H. HAYNES.

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*The Unemployed.* By GEOFFREY DRAGE, Secretary to the Labor Commission. Pp. xiv, 277. Price, \$1.50. London and New York: Macmillan & Co., 1894.

Mr. Drage, by reason of his extensive and prolonged study of industrial conditions in all the leading countries of Europe during years of residence in each of them, is entitled to speak with some measure of authority on the present vital issue of the labor question, the problem of the unemployed. Much of the success of the recent Labor Commission in collecting the valuable data that fill sixty-six Blue Books is due to the enterprise, ingenuity and enthusiasm that Mr. Drage displays in all his work. The book before us is a timely one for American readers, summing up as it does the results of European thought and experience in so far as they have attempted to analyze the causes, classify the phenomena and experiment on a solution of the problem of the unemployed. It furnishes us a basis for comparison with our own recent experiences, and ought to help enlarge our field of vision in the study of a question that is not limited to any one country or line of economic activity.

The chief recent sources of information on unemployment are the Report of the English Board of Trade Labor Department,\* the publications of the French *Office du Travail*,† the publications of our National, Massachusetts and Ohio Labor Bureaus,‡ and further, as an indirect source of information, numerous pamphlets and reports on the labor colonies, labor exchanges, etc., in Germany, France, Holland,

\* "Agencies and Methods for Dealing With the Unemployed." 438 pages, indexed. London, 1893.

† Especially "*Les placements des employés, ouvriers et domestiques en France: son histoire—son état actuel*," 734 pages. Paris, 1893.

‡ Among these the excellent report of Mr. Wadlin, published as Part I on "Unemployment" of the Report of the Massachusetts Bureau for 1893 (separately printed, 267 pages. Boston, 1894), contains a good summary of the experience of Labor Colonies, etc., with full statistics of Unemployment in Massachusetts.



Belgium and Switzerland. In the latter class also belong several of the Blue Books of the English Labor Commission.

Mr. Drage's book assumes a controversial tone toward the first of these sources, the English Board of Trade Report, and though his criticisms of the method and results of that investigation are in some cases valuable, his acrimonious remarks, whenever speaking of this report, concern only a small number of English politicians and rather detract from the interest of the book for the foreign reader. All that is of value bearing on his subject that is scattered through the several Blue Books of the Labor Commission Mr. Drage keeps well in mind in his discussion, and thus enables us to appreciate these results in a much more palatable and accessible form. The classification and method of presentation is happy throughout, and nothing that simple logical arrangement, good indexes, including marginal notes and ingenious diagrams can contribute to make the book serviceable is neglected.

An introductory part gives a brief classification of the agencies dealing with the unemployed, grouping them according to duration of the agency, class of persons to be assisted, principle of the agency and objects aimed at. The second and bulkiest part describes what has been done hitherto to solve the problem of the unemployed, and discusses fully the principles involved in the work of the labor bureau, labor colonies, trade-unions, friendly societies, registration offices and special temporary and permanent agencies. Part three deals with the question of determining the number of the unemployed and the causes of lack of work. In part four we find a discussion of what can be done in the future to solve the problem of the unemployed, which includes a critical discussion of the remedies already tried and those that have been suggested. Throughout parts three and four the author's discussion is very practical and quite free from the confusion that the introduction of vague economic terms has caused in previous contributions to the subject. The problem of the unemployed is shown to be a very complicated one, involving a number of different smaller problems, such as the better distribution of the demand for labor, the raising of the moral and physical condition of the inefficient, etc. Mr. Drage has little to say for the success, or possible success of socialistic remedies, and yet he believes the problem of a remedy is not a local one entirely, nor one that can be solved satisfactorily by private initiative alone. His practical conclusions have reference especially to English conditions and are as follows: "Firstly, that the problem is national and not local, and that the question cannot wisely be treated separately in the metropolis or in any other large town. Secondly, that the question, complicated even within the limits of a

particular locality, would be practically unmanageable for the country as a whole by any one group of experts, however competent. Thirdly, that it is, nevertheless, necessary that the problem as a whole should be *grasped* though *not dealt with* by one body. No existing agency has shown itself capable of doing this. A special group of experts is needed, representative of all the different interests involved, and with special knowledge of the different aspects of the problem. This body, with the aid of a competent staff, should be acquainted with the exact extent and nature of the distress at any time in the United Kingdom, and with the attempts to deal with the problem both at home and abroad. Only thus would it be fully competent to form a correct judgment of the problem as a whole. Thus equipped, however, it would be able to discriminate between those sections of the problem that can best be solved by the action of the Poor Law, charitable and other agencies, and that section of the problem with which no existing agency is calculated to deal satisfactorily, and which it can, therefore, itself wisely undertake to manage. This would include the establishment of temporary relief works, labor colonies and a network of labor bureaus. While such a body would itself deal only with the existing 'stock' of unemployed, it would be capable of conducting a wise agitation for the whole series of lesser remedies for preventing the recurrence of the problem."

It will be interesting to compare these recommendations for English action with the report of the Special Commission in Massachusetts.

S. M. LINDSAY.

*University of Pennsylvania.*

*The Ills of the South ; or related causes hostile to the general prosperity of the Southern people.* By CHARLES H. OTKEN, LL. D. Pp. xii, 277. Price, \$1.50. New York and London : G. P. Putnam's Sons, 1894.

The "related causes" mentioned in the sub-title of this book are, chiefly, the credit system, under which most Southern farmers have to work, and its attendant and consequent evil, the increased acreage in the production of cotton. The third great cause is the unproductive present and unpromising future of the negro.

The volume begins with a brief survey of affairs in the South in 1865. Most men had suffered from the war, but a certain class had fared well. These were the men who stayed at home during the struggle. They speculated in cotton and similar products. They were poor in 1861 ; they were rich in 1866. This money, invested in merchandise, became to a large extent the curse of the people among whom it was employed.

One of the earliest phases of the new economic life of the South was the lien law. This law was believed at the time to confer a favor on the small farmer and the freedman, for in this way only could they secure the necessary supplies with which to produce their crops. But while the law has proved a gold mine to the merchant it has worked disastrously for the farmer, because it fosters the credit system. This system has grown into a great evil : because of its indefiniteness ; because the prices charged under it are ruinously high ; as a rule it cuts the buyer off from the option of purchasing elsewhere ; it encourages extravagance in many whose purchases, some foolish and more unnecessary, are only limited by the willingness of the merchant to give credit.

Mr. Otken estimates that the average sum thus lost by purchasing on time is 25 per cent, which means more than \$100,000 per year for 2000 average farmers, or more than \$2,000,000 for twenty years. He also presents tables which show in a forcible way that while the output of cotton has greatly increased the output of food products has not kept pace with population. Between 1860 and 1889 the grain crop increased 37 per cent, but the increase of population was 87 per cent. There was actually less corn produced in the States of Alabama, Georgia, Louisiana, Mississippi, North and South Carolina in 1889 than in 1860. The ten Southern States produced less tobacco, peas, beans, Irish potatoes, and sweet potatoes in 1880 than in 1860. In seven States, Alabama, Georgia, Louisiana, Mississippi, North and South Carolina and Tennessee there has been a decrease of 23 per cent in the number of sheep since 1860, and in all of these, except Louisiana, there has been a similar decrease in the number of hogs. There are less hogs in the States just mentioned, and also in Arkansas, Florida, and Texas, than there were in 1860, and if we except Texas there are fewer sheep also. The estimate is made, and it is probably not far from the truth, that \$100,000,000 is lost to the South annually by this neglect of food products. These products are supplied from Western markets. One Mississippi firm reports that they have sold on an average 300,000 pounds of Western meat annually for fifteen years and the reviewer has heard that more meat was shipped into a certain county in northeastern North Carolina, which has become a cotton country since the war, than pounds of cotton were sent out of it. This is another leak in Southern prosperity and to stop this leak 3,000,000 bales of cotton at present prices are required.

Such then is the situation. There are remedies for this state of affairs. Repeal the lien laws, for the belief in their evil results is almost unanimous ; economize and deny as was done in war times ; raise less cotton and more food products, more hog and hominy. It



seems that the tide is already beginning to turn in this direction in some of the States. The Farmers' Alliance has done a good work in the discussion and agitation of these matters.

The first eight chapters are well presented and contain sound reasoning. The remaining chapters are of less value. The one on "The Perversion of Business" is a homily on business methods and out of place. The last three are on the negro. This is the third ill and perhaps greater than the others. These chapters are pessimistic in the extreme. Freedom has not tended to elevate the negro socially, morally or industrially. Being now his own master he refuses to work except when driven to it by hunger. He lives from hand to mouth on odd jobs, thievery or prostitution. The author estimates that 81 per cent are non-producers and statistics show that the large majority of inmates of prisons are negroes. This is all true, but we must here read between the lines, for the negro is almost the only thief who gets his just deserts and this is due largely to the fact that he is comparatively helpless. The author offers no solution to this ethnic problem save colonization. He thinks that this can be done in thirty years at a cost of \$750,000,000. This in his opinion is the solution of the negro problem.

But this colonization cannot and will not be undertaken. The transportation of 300,000 per annum would mean such an increase in births that it would prolong the thirty years to fifty or sixty. Nothing can be more useless than talk about the deportation of the negroes as a race. This is not the solution. Nor does it seem reasonable to fear such a serious race war as the author suggests. There is no danger that the Anglo-Saxon will not assert himself in the future just as in the past. The Anglo-Saxon never submits to domination. Whether the struggle be with the Wendic population of the Fatherland, with the Sepoy in India, the black man in the jungles of Africa, or the Indian on the plains of North America, the results are always the same. The Anglo-Saxon is never ruled but rules; so it will be in the South, for these States contain a larger per cent of English blood than any other section of the Republic.

STEPHEN B. WEEKS.

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*Kleingewerbe und Hausindustrie in Oesterreich.* Von Dr. EUGEN SCHWIEDLAND. 2 Vols. Leipzig: Duncker & Humblot, 1894.

Interest in the history of nations is now turning more and more away from the activities of the state to the labor of the people. To this change we are indebted for a number of works dealing with economic history and, more remotely, for works which investigate single special fields of political economy. To these last belongs the present book. It is a very careful piece of work, and is worthy the

fullest recognition inasmuch as it cultivates a field which has been lying quite fallow. In the first volume the author investigates in general the rise of house-industry, which in many provinces of Austria still continues to-day to be the only form of industrial employment. He shows how the local house-industry, which had sprung up here and there, could develop to a considerable degree only through the appearance of mediators between work and its market. We have even to-day in Austria a double form of house-industry—one which sells its commodities only by peddling, the peddlers being recruited from the families of the producers; and a house-industry whose commodities reach the market through strange agents, through merchants, and finally, through the *entrepreneur* ("Verleger"). Only this last method of sale enables the house-industry to thrive greatly.

In the second volume the author treats a subject that might also awaken a keen interest in America; he gives us, namely, a detailed account of the origin and development of the Viennese pearl button industry, which, till recently, as is well known, exported its products in large quantities to America and whose stability latterly has received a severe blow through a customs regulation of the United States. The author gives us a description of how the raw material is procured (shell fisheries), how this was worked up in the Orient and how the same process began in Austria at the commencement of the last century. Then he portrays the condition of the master workman in the shell-turning industry, and the transition of this handicraft into a house-industry. This last form was more advantageous to the *entrepreneur* and was encouraged by him in his capacity of "contractor." Only through these "contractors" was it possible for the pearl buttons of Vienna to become one of the most important export articles sent from Austria to America. Because of the great importance of this branch of industry for Vienna, the author goes into a detailed account of the *social* status of the masters as well as of the journeymen and workmen in this trade.

We hope that the author may soon gratify us with the account of other branches of Austrian industry, and so enrich the history of the *work* of the Austrian people by further valuable contributions.

LUDWIG GUMFLOWICZ.

(Translated by ELLEN C. SEMPLE.)

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*Municipal Government in Great Britain.* By ALBERT SHAW. Pp. 375. Price, \$2.00. New York: Century Company, 1895.

A number of recent publications on municipal government and institutions seem to show that the literature of this subject is entering upon

a new stage of development. For a long time our main source of information was a series of disconnected essays and magazine articles critical, rather than descriptive, in character. Directed, as a rule, against specific abuses they lack the breadth of more general treatment. Not that we have as yet emerged from this stage. There are indications, however, that the period of careful and detailed description and analysis has been reached. Even here, it is true, it has been the legal rather than the economic aspects of city government that have received attention. Such questions as the relation of the State to the municipality; the legal powers of the latter; its rights and liabilities have received careful scientific treatment at the hands of a number of distinguished jurists.

On the other hand, we have but very few attempts to treat with any degree of completeness the economic problems that confront our cities; especially the great centres of population. The relation of the activities of the municipality to the question of social progress still awaits the attention of the economist. In theories of social prosperity this element must occupy an increasingly important position. Comparatively small changes in municipal policy; a very slight increase in the concerted action of the community often means a new standard of wants and with it of comforts to large classes of the population. Condemnation proceedings against the worst slum districts, careful building regulations, a strict enforcement of sanitary requirements, etc., involve but little effort when compared with the change that would be effected in the daily life of our urban population. No treatment with the economic side of municipal activity will accomplish its purpose unless it fully illustrates this fact. It is because Dr. Shaw's book does this that it will be of permanent value to all who are interested in the manifold problems of social progress. In thus meeting the full requirements at a first attempt, in a field of work hitherto unoccupied, Dr. Shaw has done a great service to those who are to follow him in work of a similar character. Perhaps the greatest merit of the book is a rare ability in so grouping facts as to give them their deepest interest and most suggestive influence. This is especially true in the chapters dealing with individual cities, such as London, Glasgow, Birmingham and Manchester. Without any conscious attempt to contrast the English with the American development the author's skillful presentation calls forth, almost involuntarily, a contrast with the method of dealing with similar problems in the larger American cities. Dr. Shaw has clearly demonstrated the possibility of giving a concise and yet fairly complete description of the activities of a municipality in such a way as to interest the average reader. To do this, however, he has been



compelled to restrict the descriptions to necessary facts, giving but few details as to the development of policy in various municipal departments, a method which would have been clearly impossible within the comparatively short space of one volume.

The present condition of municipal government in England, as described by the author, presents many curious and interesting comparisons with our own conditions. The English municipalities, in their form of administration, do not depend upon any system of "checks" and "balances," such as we have thought necessary to incorporate into our form of city government. In matters of local government, they have not taken their inspiration from the form of central government; clearly recognizing that the peculiar nature of the problems to be solved by the municipalities made it impossible, and if possible, undesirable, to hamper the action of the community by means of a bicameral system and an executive veto. We are made to feel that positive action is the great desideratum where the character of the work is purely economic and administrative; however desirable a system of checks may be in political action. In other words, the distrust of representative institutions has not found its expression in the form of municipal government in England, as it has in the United States. There, the town council is looked upon as representative of the body of citizens or burgesses, and to this popular body complete control over local affairs is given. As a result, we find local powers concentrated in the town council, with the detailed administrative control in the hands of committees of the local legislature.

The tendency of municipal government in this country is in exactly the opposite direction. The history of American cities during the last twenty years might well be called the history of the decline and fall of the town council. In none of our large cities at the present time does the city council exercise anything like the powers it enjoyed twenty years ago. At first, stripped of its appointive powers; then, of its more important financial functions; and, finally, of the power of confirmation of mayoralty appointments,—it has come to be a mere shadow of its former self. This is the case in New York and Brooklyn; it is the tendency of all changes in Philadelphia; and will, no doubt, receive acceptance in Boston in a very short time. The idea of concentrating power in the hands of one man, namely, an elective mayor, has never found acceptance in any of the European cities. While the momentary needs of the hour may have dictated this step to most of our cities, yet we ought consciously to face the fact that it is leading us farther and farther from the earlier democratic ideals, and that it is closing the way to an improvement in the character of our

city councils. It is true that in the system we have adopted, the office of mayor will appeal to the ambition of some of the better elements in our communities ; but it is equally true that the office of councilman will be definitely relegated to the mercies of the obscure, if not undesirable elements of the population. The contrast, then, between the English and American cities, is as great as one can readily imagine. The fact of the complete failure of the attempt to govern our cities on something of the same plan, merely proves that a form of government which requires the co-operation, and the active co-operation, of a large number of citizens, becomes unworkable as soon as the character of the men who are drawn into the administration, falls below a certain point.

Dr. Shaw gives an inspiring picture of the municipal, or perhaps more exactly described, the social activities of Glasgow, Manchester and Birmingham. The far-sighted policy in planning a system of drainage and water-supply, adequate to the needs of a growing population, stands in direct contrast with the experience of some American cities in expending large sums upon poor sources of supply, and in constructing a drainage system on a patch-work plan, rather than in accordance with a complete organic scheme. When Manchester determines to go to Wales for a water-supply ; when Birmingham contemplates the same thing, it is with the idea of creating a supply which will meet any possible need for generations to come.

No less characteristic of this far-seeing policy is the demolition of entire sections of the city in order to give air, light and health to the poorest and most degraded portions of the community, and thus to raise the tone of social morality throughout the city. While the expenditure for these purposes has been very large in both Glasgow and Birmingham, especially when we consider the fact that the entire work was done within a very few years, yet the return to the community will be hundred, if not thousand-fold in the saving of human energy and in the lessening of human suffering. But even from a purely financial standpoint these expenditures represent by no means unprofitable investments.

Dr. Shaw's treatment of the government of London is one of the most satisfactory in the book. In perhaps no other city in the world has there existed so complete a chaos of authorities. The discussion of the relation of these authorities to one another is a model of clearness and precision of exposition. The work of the London County Council and the magnitude of the problems with which London's great aggregation of population is confronted, receive careful treatment ; the possibilities and limitations being clearly recognized.

On the whole, this book which is to be followed by another dealing

with continental cities, gives us a most inspiring picture of the possibilities of an intense municipal life, as we find it in the English cities. Without undue praise of English institutions, or disparagement of those of our own country, it is evident that Dr. Shaw fully realizes the fact that the government of municipalities is dependent upon the men who take an active part in the work, and that the system which brings the government in closest contact with the people is, in the long run, the safest and most permanent basis of development. The book contains so much of interest to the economist and sociologist, as well as to the student of local institutions, that these brief references to various portions of the book, give but a very faint idea of the value and interest of the material which has thus been placed before the American public in most attractive and readable form,

L. S. ROWE.

University of Pennsylvania.

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*Roger Williams, the Pioneer of Religious Liberty.* By OSCAR S. STRAUS. Pp. 257. Price, \$1.25. New York: Century Company, 1894.

The resolution to be impartial does not always avail in dealing with men who have been much loved or much hated, for the heart finds arguments which often escape the critical eyes of the judgment. It seems that Mr. Straus has not escaped some of the subtle influences produced by his admiration for the noble battle of his hero against the ecclesiastical system of Massachusetts. This appears in the preface where Roger Williams is set in the same rank with Luther and Cromwell; it hardly seems necessary to argue that the relation of Williams to "The Establishment of Religious Liberty" is not fairly indicated by suggesting it be the same as that of Luther to the Reformation, and that of Cromwell to the Puritan Revolution. This defect appears most prominently perhaps in the great controversy between Williams and the Massachusetts authorities. In general it may be said that nowhere does Roger Williams fall under the authors' criticism and nowhere do the authorities come in for *pro se*. Perhaps the latter do not deserve much commendation for anything said or done, but it is hardly conceivable that Williams committed no errors of either heart or mind. Very few writers upon this controversy leave out the political influences operating upon the General Court in trying and sentencing Williams, and while some New England writers may have placed too much emphasis upon them, in order to relieve the Puritans of the charge of religious persecution, yet one can hardly justify the author in ignoring the probable effect of Williams' teaching and acts upon England, as a cause of his treatment. Again, the



author places much emphasis, as perhaps he ought, upon the fact that the ministers were almost unanimous—only one dissenting voice—in recommending that the offender be banished; but one is forced to ask why the vote of the authorities in giving sentence is not placed in evidence. Now, the vote did not show a large majority in favor of banishment, and the large minority against banishment, in spite of the recommendation of the ministers, is most significant. The omission of this vote, and some other facts, leaves the reader under the impression that Roger Williams had few sympathizers in Massachusetts, and that he alone of all those Puritans longed for liberty. The truth is that he was a bold and outspoken leader of a rising party among the Puritans who were beginning to think and act even in opposition to the authorities, and who represented the progressive spirit of Puritanism. This controversy was only one of a series of events whose true interpretation shows a movement which gave an increasing degree of political, religious, social, and industrial freedom to the people of New England.

Aside from the faults indicated above—mostly faults of omission—the work is a meritorious one and well repays perusal. It has the merit of throwing into the narrative, without breaking its continuity, a large number of pertinent quotations from the writings of the great man whose contribution to religious and political freedom is very satisfactorily traced in the history of the colony founded after the banishment.

W. H. MACE.

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*Cases on Constitutional Law.* By JAMES BRADLEY THAYER, LL. D. Parts III and IV. Pp. 945-2434. Price, \$7.50. Cambridge, Mass.: C. W. Sever, 1894, 1895.

The same general criticism made of the first two parts of this work\* is equally applicable to the concluding portions which have now been issued; or, if anything, the approval then given to Professor Thayer's invaluable collection of cases should be emphasized. In these last two parts the subjects included are Right of Eminent Domain; Taxation; Ex Post Facto and Retroactive Laws; State Laws Impairing the Obligation of Contracts; Regulation of Commerce; Money, Weights, and Measures; War, Insurrection, and Military Law.

It is safe to say that in its final shape of two large volumes of nearly 2500 pages, the teacher and student of American government will find here a collection of cases on constitutional law absolutely indispensable to a fundamental understanding of our institutions. It is fortunate, too, that in many instances dissenting opinions have been

\* See ANNALS, vol. V, p. 310; September, 1894.

given, along with the decisions of the court, not only to indicate the grounds upon which able jurists were unable to concur in the views of their associates, and thus present both sides of the case, but also, if one may presume to assert as much, because the opinions of the minority are sometimes thought to be better law than are those of the majority. An instructive illustration of the, at least considerable, weight to be given to dissenting opinions may be seen in such classical cases as the three leading legal-tender decisions, and likewise in one of the most recent decisions of the Supreme Court of the United States, the oleomargarine case of *Plumley vs. Massachusetts*, rendered December, 1894, sustaining a statute of Massachusetts which forbids the sale of oleomargarine colored in imitation of yellow butter, even though plainly stamped and sold for what it really is.

One cannot but repeat that Professor Thayer has rendered an inestimable service, not to his own profession alone, but to teachers of American history and government as well, in the publication of this work. That no pains have been spared to bring it down to date, it may be mentioned that the fourth part, which was in the book stores March 20, contains extended extracts from a decision of the United States Supreme Court of March 4.

As these volumes are intended primarily for law schools, their size and price will prevent them from being introduced into college work; we trust, therefore, that Professor Thayer will deem it worth while to make a selection from these cases, accompanied by notes and brief discussions, adapted for the use of college classes, so that students of American history may also get some accurate knowledge of American constitutional law.

CHARLES F. A. CURRIER.

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*Auguste Comte und seine Bedeutung für die Entwicklung der Socialwissenschaft.* Von Dr. H. WAENTIG. Staats- und socialwissenschaftliche Beiträge, herausgegeben von A. von Miaskowski. Vol. II, No. 1, Pp. 393. Leipzig: Duncker & Humblot, 1894.

Germany begins later than other countries to concern itself with sociology. Hitherto this science has met with great distrust in the German universities, and Auguste Comte has been almost unknown. Only very recently, since Herbert Spencer aroused in Germany an interest in sociology, has the French founder of sociology been made the subject of scholarly investigation, in the present book which has been done with a thoroughness which makes complete amends for all past neglect on this point. The author gives us an exhaustive study of Comte such as no other European literature as yet possesses. The

book is, however, much more than a monograph on Comte; it is at the same time a very conscientious examination of sociology as a science, and it will undoubtedly contribute much to the introduction of this study into Germany.

After briefly sketching Comte's forerunners in France as well as in the rest of Europe, particularly Turgot and the German writers of the philosophy of history, the author describes Comte's character and general point of view. Then he gives us a detailed account of Comte's social teachings, and after this investigates the influence exerted by Comte's doctrines upon the principles of social science in France, England (together with America) and Germany. It was in England that Comte exercised the most pronounced influence; there he found his greatest follower in Herbert Spencer. In conclusion the author examines critically, though with sympathetic appreciation, Comte's services to the social science of our century.

In the course of his investigation, the author draws into the circle of his observation all the newer sociological literature of Europe and America, and thereby furnishes us with an introduction into the study of sociology, such as the German literature has never before possessed. In doing so, the writer has met a very perceptible want.

The book forms one of the "Studies in Political and Social Science," edited by Professor von Miaskowski in Leipzig. This fact proves anew what was already sufficiently well known from the economic writings of von Miaskowski, that this eminent economist takes by no means so repellant an attitude toward sociology as do the majority of his fellow economists in Germany. On the contrary, in his economic writings he has often allowed himself to be guided by sociological ideas; and now by the publication of Waentig's book, he has done sociology a great service.

Nay, indeed, it seems it is at the University of Leipzig that sociology, elsewhere sadly neglected, is experiencing a marked advancement. Another instructor of this university, Paul Barth, the author of an excellent book on the "Philosophy of History of Hegel and the Hegelians," in pursuing his historico-philosophical and sociological investigation, has published \* a "Critique of the Fundamental Principles of Herbert Spencer's Sociology." If we add that Simmel, an instructor at the University of Berlin, has likewise published some sociological studies, we may venture the supposition that now in Germany the ban which rested upon sociology is lifted, and that a fortunate change of view in regard to this science will ensue.

But as to what German diligence and German thoroughness can

\* In the *Vierteljahrsschrift für Philosophie von Avenarius*.



accomplish when they are directed to a definite intellectual field, brilliant proof is given by Waentig's work on Comte.

LUDWIG GUMFLOWICZ.

(Translated by ELLEN C. SEMPLE.)

In view of the exhaustive criticism to which Comte has been subjected by Spencer, Cairds, Ward and others, the most interesting part of Waentig's book for the English reader is his critical exposition of the sociological literature of France, Germany, England and America, in its relation to the social teachings of the Positive Philosophy. The author finds that in France the idealistic school, bearing as it does the characteristic stamp of French thought, and the classical economists with their deductive method had little in common with Comte. He therefore met only faint appreciation at the hands of his countrymen till the rise of the new naturalistic or realistic school. The tendency of this school is not to be attributed exclusively to Comte's influence, especially as there are many elements in the realism of Comte which are antagonistic to the modern spirit; still it would be quite as unfair to ignore the many points of agreement which unite Comte with the modern tendency, particularly as the evidences of his influence are not few nor indistinct. The author thinks that Taine, as "the historian of environment," may be regarded as a follower of Comte.

In contrast with the lukewarm reception accorded Comte's writings in France, in England their appearance was an epoch-making event. Those very elements in the Positive Philosophy which were antagonistic to French idealism, gained for Comte many adherents "among the followers of Bacon, with their eyes fixed upon the concrete, the real." Moreover, the progress of natural science in England through the work of Darwin and Wallace opened a way for him there; and the increasing protests against the teachings of the classical school of economics could not fail to make an audience for a man who had always been openly hostile to that school. England needed to get its stimulus from without: the impulse aroused, "the modern development of social science in England has consisted chiefly in the extension and development of the social teachings of Comte."

According to the author's view, sociology in America, also, has felt Comte's influence. Carey had much in common with him, though he rejects the latter's historical method and substitutes the "mathematical" method, which brings him nearer to the Belgian Quetelet. "A warmer and abler advocate the new science has found in the person of F. H. Giddings, in whom many fundamental principles of Comte appear, but whose method of "psychological synthesis" is opposed to that

pursued by Comte. The work of Lester Ward, in the opinion of the author, is more unified and better rounded out than that of Comte and Spencer, "the process of scientific crystallization having developed farther in him." Though he acknowledges his debt to his predecessors, and his work stands in close connection with theirs, it cannot be said to lose originality on that account.

The author accounts for Comte's being so little known in Germany by the fact of the affinity between the social teachings of German scholars and of Comte, due to a similarity of method and point of view. The historical bent of the German mind began to manifest itself nearly synchronously with the positivism of Comte; the results showed naturally many coincidences, which were the outcome of a chance independent parallel development. To the Germans, therefore, Comte did not represent a wholly new idea as he did to the English. Moreover, the strained political relations between France and Germany affected even intellectual intercourse between the two countries; and the well-known French predilection for an abstract treatment of social questions may have deterred German readers from acquainting themselves with any French work on social science.

Waentig's criticism of Comte as well as of the later sociologists is given on the basis of an almost exhaustive knowledge of the literature of the whole subject, and his opinions are marked by impartiality and keen discernment.

Louisville, Ky.

ELLEN C. SEMPLE.

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*American Charities.* By AMOS G. WARNER. Pp. 430. Price, \$1.75. New York and Boston. T. Y. Crowell & Co., 1894.

This is the first comprehensive treatise on this subject which is at once scientific and popular. It is both in a high degree, not a compromise between the two. The writer has rare qualifications for his work. To the most thorough collegiate and university training he has joined several years' practical experience in work of this kind, first in connection with the Charity Organization Society of Baltimore, and later as Superintendent of Charities for the District of Columbia. His keen observation and rare good sense have enabled him to profit to the utmost by these exceptional opportunities. It is probably an advantage also that he has now withdrawn from the work and can decide questions with disinterestedness from an academic chair, undisturbed by the heat of controversy.

Part I is "Introductory and Theoretical." After a brief chapter by way of historical introduction comes the discussion of the causes of poverty and the personal and social causes of individual degeneration.

While large attention is given to Dugdale, the book certainly carries the discussion a step farther than previous writers have done. On the all-important question of heredity nothing very conclusive can be said till clearer light is thrown upon the controverted theory of Weissmann. The inheritance of acquired defects is involved in the question of the transmission of acquired characters generally, a question now undecided. If Weissmann is correct in claiming that there is no such transmission, then Dugdale's conclusion that hereditary degeneration is but the cumulative result of long standing unfavorable environment is erroneous. Likewise all efforts to improve pauper stock by improved surroundings are fruitless of lasting good. Elimination is the only possible line of progress. With the question of the redeemability of pauper stock unsettled the whole problem of charity seems to be held in abeyance. With characteristic sense, however, the writer sees a line of procedure adapted to either conclusion. Whether bad stock can be bred up to soundness or not, it is not the best for breeding purposes and its reproduction should be humanely prevented. Again, whether personal improvement can be transmitted or not, it is enjoined upon us in the interest of the individual himself and equally in the interest of those subjective factors upon which the existence of society depends. Our program is therefore a plain one; humane treatment of the constitutionally degenerate with greater emphasis upon permanent custodial care as tending to painless extinction of undesirable stock. Other questions are discussed with equal thoroughness and with equally satisfactory outcome.

Part II treats of practical methods of dealing with the different dependent classes. This is, perhaps, the most satisfactory part of the book. The writer examines dispassionately the arguments in favor of indoor and outdoor relief and pronounces emphatically in favor of the former, not only as more deterrent and ultimately more economical, but as alone permitting the indispensable restriction of reproduction already mentioned. All the usual classes are considered, the chapter on Dependent Children being especially good.

Philanthropic Financiering is the subject of Part III and receives here so far as we know its only adequate treatment. Following the discussion of the relative merits of public and private charities and of endowments is an admirable and much needed chapter on Public Subsidies to Private Charities. The writer is entirely free from sectarian or professional bias and his moderation enhances the force of the conclusions to which facts irresistibly force us. This chapter in connection with that on Dependent Children gives an almost unparalleled example of mismanagement.

Three chapters on the supervision, organization and betterment of



charities fittingly complete the text which is followed by an index and a valuable bibliography.

It is impossible to do justice to so excellent a book in a brief review. It is just what we want. I have called it both scientific and popular. I believe no scientific conclusions of importance have been overlooked or misstated in the preparation of the book. It is both up to date and discriminating. On the other hand it is thoroughly readable and interesting. People who are interested neither in science nor charity will find the book interesting, even fascinating at times. And withal, there are few subjects where intelligence is more needed. The widest possible acquaintance with book is greatly to be desired. It is admirably adapted for use as a college text-book.

H. H. POWERS.

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*Sam Houston and the War of Independence in Texas.* By ALFRED M. WILLIAMS. Pp. vii, 405. Price, \$2.00. Boston and New York : Houghton, Mifflin & Co., 1893.

This book deals, as its title indicates, primarily with the life of Houston and secondarily with the War of Independence in Texas. About one-third of the total space is given to this war. The character of Houston is painted in sharp outline, and the delineation is, in the main, historically correct, though the shading might have been made a little more complete and satisfactory. The material has been well considered, and no part of it seems to have been neglected. Personal reminiscences and stories relative to Houston current among the survivors of his generation have been drawn upon extensively.

The account of the war is a condensed and broadly faithful tracing of the current of events during that period. The narrative flows along in a fairly easy and pleasant way ; but it is marred now and then by rather serious faults of style consisting most frequently in confused forms of expression.

The book contains several typographical errors, such as "Nachidoches," p. 57, for Nacogdoches. By some kind of slip 1835 on p. 128 and again on p. 155 is put for 1836. Other slips are more serious. It is not true, as stated on p. 231, that the short-lived Texas Railroad, Navigation and Banking Company agreed to pay no more for its privileges than a bonus of \$25,000. It was to pay also 2½ per cent of its net profits per annum and was to furnish the government free transportation for soldiers and munitions of war. The statement that Houston repulsed an attempt to bribe him to support the bill incorporating the company and then "vigorously opposed" it would appear more credible if his name were not signed to the bill.

The author shows now and then a want of the critical faculty in the use of his sources. For example, in stating the Mexican loss at San Jacinto he says, p. 202 : "Six hundred and thirty were killed and 208 wounded out of a total of between 1300 and 1400 Mexicans ;" and again, p. 203 : "The Mexican loss was 630 killed, 208 wounded, and 730 prisoners." It is easy to see that the total in the latter statement does not agree with that in the former. Houston's official report, from which all these figures except the total in the first statement are taken, has been sharply criticised by von Holst, Constitutional History of the United States, Vol. II., p. 570, because it accounts for 1568 Mexicans out of only 1500. But the report says, in fact, that the "effective force" of the Mexicans was "upward of fifteen hundred."

Mr. Williams has produced a readable and entertaining book ; but, while the larger relations are truly presented, the whole is impaired by faults of expression and inaccuracy of detail for which an author should at least not excuse himself entirely.

GEORGE P. GARRISON.

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*Geschichte des deutschen Genossenschaftswesens der Neuzeit.* Von Dr. HUGO ZEIDLER. Staats-und socialwissenschaftliche Beiträge, herausgegeben von A. von Miaskowski. Vol. I, No. 3. Pp. 478. Leipzig : Duncker & Humblot, 1894.

If anyone wishes information in regard to the principles and actual organization of the German trade-unions, he will find in Zeidler's book a good and reliable presentation of all the facts worth knowing. The conclusions are free from partiality. The views of the different parties on the various points of controversy connected with the unions are objectively stated. The arrangement of the work is based upon the internal evolution of the unions. In Part I the author discusses the introductory period up to the years 1848 and 1849. This period is characterized by the principle of philanthropy or assistance. The real trade-union movement, which continues into the present and which receives its peculiar stamp from the principle of self-help, the author describes in Parts II-IV. Within this chief period of development he distinguishes two phases, corresponding to the passage of the two laws of July 4, 1868, and May 1, 1889.

The different forms of the unions, the chief leaders of the movement, particularly Hermann Schulze-Delitzsch, are described in detail. In addition such questions as the relation of legislation to taxation, the spread of the German idea of trade-unions into foreign countries, the fight made by the merchants against co-operative consumption, the

attitude of the socialists toward the unions, and many other questions are fully discussed.

In regard to the effects of the new law of 1889, the most important innovation of which is the introduction of limited liability, the author's judgment is on the whole favorable. The good influence manifests itself in the noticeable increase in the number of unions. In the three years from October 1, 1889, to October 1, 1892, not less than two thousand seven hundred and twenty-five unions have been formed. Only upon the rural labor unions does the new law seem to have had in part a bad effect. The difficulties of reorganization under the new law have caused the dissolution of a number of unions; its rigidly prescribed forms and the red-tape and expense connected with these have proved an obstacle to the formation of new unions.

KARL DIEHL.

(Translated by ELLEN C. SEMPLE.)

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#### NOTES.

THE LAST WORK OF the late Mr. W. E. Hall \* must be of special value to English students of international relations, and to teachers everywhere. The author's standard "Treatise on International Law" warranted the anticipation that this monograph would be scholarly and authoritative, and the expectation is not disappointed. Mr. Hall has dwelt chiefly on the law and the theory, and has not devoted any considerable space to the discussion of examples illustrating his text; but in this method of treatment he was justified by the fact that history is being so rapidly made in the field covered by this book, that any chosen instances would soon get out of date. The chapters which will perhaps be of largest interest to persons on this side of the Atlantic are those on foreign powers and jurisdiction in their international and constitutional aspects, on the agents through whom power and jurisdiction are exercised, on the persons who are possessed of the status of British subjects, on protectorates, spheres of influence, and barbarous countries, and on jurisdiction on the high seas and in respect of acts done there.

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RECENT DISCOVERIES have greatly enriched our knowledge of the history of Greece. But the theories and discussions based on the new materials have only confused the reader, who is not a Hellenist. To obviate this confusion, Holm wrote, ten years ago, a "short" history of Greece, in which the ascertained facts were clearly distinguished

\* *A Treatise on the Foreign Powers and Jurisdiction of the British Crown.* By WILLIAM E. HALL. Pp. xv, 304. Price, \$2.60. Oxford: Clarendon Press, 1894.



from the hypotheses. The first volume is now translated into English,\* and by corrections and additions, furnished by the author, has been brought up to date.

The tone is cautious and inspires confidence. After the deluge of writing on the Homeric question, it is refreshing to read the clear and concise account here given. Scholars will rejoice in the wealth of bibliographical and critical notes. In fact, at least one-fourth of the present volume consists of useful apparatus, largely bibliographical in content and carefully revised, as is shown by the mention of books published as late as 1893.

The translation is accurate but lacks life. In this, however, it resembles its German original. This lack of life and the almost excessive caution in statements detract somewhat from the pleasure of the reader. But the work is of great value and answers a real need.

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IN A RECENT WORK ON "*Antisemitismus und Strafrechtspflege*" † many examples are cited from the Prussian judicial decisions to show that the criminal law is not enforced in the same way against all political parties; that, for example, indictments, which are punished in social-democrats to the full extent of the law, in the anti-semitics are not regarded as culpable. The author does a service in the interests of justice in pointing out and putting together these facts. As to the cause of this *unequal* administration of the law, the author supposes it to be an erroneous understanding of the statutes. To the credit of the Prussian judges one may assent to this opinion of the author, and avoid the temptation to follow up the not remote thought as to whether the anti-semitic feeling has not perhaps penetrated a little into the ranks of the judges. At any rate, such *inequalities* in the application of the law are greatly to be regretted, and, as the author very truly points out, they undermine "confidence in an impartial administration of justice," whereby "the way is made easy for lawlessness and anarchy." In point of fact, it is possible to prove in Germany a connection between anti-semitism and anarchistic tendencies, for the former has in many cases profoundly shaken the authority of the state.

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AS A CONTRIBUTION to the Columbian Exhibition the Imperial German Government sent two volumes on the German universities.

\* *The History of Greece*. From its commencement to the close of the independence of the Greek Nation. By ADOLPH HOLM. In four volumes. Vol. I. Up to the end of the Sixth Century B. C. Pp. xvii, 432. Price, \$2.50. New York. Macmillan & Co., 1894.

† *Antisemitismus und Strafrechtspflege*. By MAX PARMOD. *Zweite Auflage*. Berlin: Cronbach, 1894.

For these Professor Paulsen, of Berlin, furnished a concise and able introduction. The latter has now been translated\* by Professor Perry, of Columbia, and is an important addition to English works dealing with the subject. The chapter on the historical development of the German universities is the longest (72 pp.) and most satisfactory. The other chapters treat of the general character; relations to the state, to the Church, and to the community; teachers and teaching; students and the pursuit of study; and the unity of the university.

Many of the problems confronting the German universities are stated, and some of these furnish matter for earnest thought to American students. The defence of the much-abused lecture-system will command attention. The value of the book is enhanced by an introduction on "The Relation of the German Universities to the Problems of Higher Education in the United States," written by Professor Nicholas Murray Butler. In the appendices the latest statistics and a carefully selected bibliography are given. The volume is adequately indexed.

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THE THIRD SESSION of the Summer Meeting organized by the American Society for the Extension of University Teaching will take place in the buildings of the University of Pennsylvania, Philadelphia, July 1-26. A very attractive series of lectures in the field of political science has been arranged, and a remarkable corps of eminent specialists secured to conduct the work. The lectures will occupy from three to five hours daily for four weeks, and after each lecture an opportunity will be given for general discussion. The following is the program of the Politics Department:

Professor Woodrow Wilson, of Princeton, besides the inaugural address on "Democracy" will give a series upon The Constitutional Government of the United States. (1) "What is Constitutional Government?" (2) "Political Liberty." (3) "Written Constitutions; The Nature, Origin, and Significance of Our Own." (4) "The Organization and Powers of Congress." (5) "The Function of the Courts Under a Constitutional Government."

Professor J. W. Jenks, of Cornell, will lecture upon Politics in the Modern Democracy. (1) "The Essentials of Citizenship." (2) "The Principles of Representation." (3) "The Function of the Legislature." (4) "Direct Legislation" (Referendum and Initiative). (5) "The Guidance of Public Opinion."

Professor Macy, of Iowa College, upon Political Parties and Political Leadership. (1) "Party Organization, a Fact to be Reckoned with."

\* *The German Universities: Their Character and Historical Development.* By FRIEDRICH PAULSEN. Pp. xxxi, 254. Price, \$2.00. New York and London: Macmillan & Co., 1895.

The Relation of Parties to Mobs." (2) "Party Leadership Under the English Cabinet System and Under the American Federal System." (3) "The Effect of the Slavery Question and the Civil War upon Political Parties." (4) "Political Issues since the Civil War." (5) "The Relation of the School and the Church to Political Leadership."

Professor H. C. Adams, of the University of Michigan, upon Relation of the State to Industrial Society. (1) "Doctrine of Restricted Governmental Functions Regarded as an Historical Product." (2) "Analysis of the Theory of Restricted Governmental Functions." (3) "Classification of Industries from the Point of View of Governmental Functions." (4) "The Functions of Government in the Presence of Modern Monopolistic Tendency." (5) "The Function of Government in the Presence of Modern Labor Controversies."

Professor A. B. Hart, of Harvard, upon Special Topics. (1) "American Political Institutions." (2) "The New England Town Meeting." (3) "Puritan Politics."

Professor E. J. James, of the University of Pennsylvania, upon The American Citizen: His Privileges and Immunities. (1) "Who are Citizens." (2) "Civil Rights." (3) "Political Privileges." (4) "Civil and Political Obligations." (5) "Means of Enforcing the Rights and Obligations of Citizens."

Professor W. G. Sumner, of Yale, upon (1) "Militarism." (2) "Industrialism."

Dr. Albert Shaw, editor of the *Review of Reviews*, upon Government of European Cities. (1) "Introductory." (2) "The English System of Municipal Government." (3) "The German System of Municipal Government." (4) "French and Italian Systems of Municipal Government." (5) "Lessons for America from the Experience of European Cities."

Dr. Albert A. Bird, Staff Lecturer of the Extension Society, upon The Municipal Government of Philadelphia. (1) "Elections and Election Laws." (2) "The Machinery of the City Government." (3) "The City and its Franchises." (4) "Public Works." (5) "Taxation and Finance."

Professor E. R. L. Gould, of the University of Chicago, upon Social Problems of Cities. (1) "Relation of Civil Reform to Social Progress." (2) "Housing of the Poor." (3) "Public Recreation."

Rev. W. B. Hale, of Middleboro, Mass., upon Social Ideas and Social Realities. (1) "The Family." (2) "The Mob." (3) "The Political Party." (4) "The Nation." (5) "The Church."

Rev. Edward E. Hale, Boston, upon Social Reform. (1) "The Abolition of Pauperism." (2) "The Relief of Poverty." (3) "The Battle of Intemperance." (4) "The Ideal City."



## NOTES ON MUNICIPAL GOVERNMENT.

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[This department of the ANNALS will endeavor to place before the members of the Academy all items of interest which will serve to indicate the municipal activity of the large cities of Europe and America. Among the contributors are: James W. Pryor, Esq., Secretary City Club, New York City; Sylvester Baxter, Esq., Boston *Herald*, Boston; Samuel B. Capen, Esq., President Municipal League, Boston; Mr. A. L. Crocker, Minneapolis; Victor Rosewater, Ph. D., Omaha *Bee*, Omaha; Professor John Henry Gray, Chairman Committee on Municipal Affairs, Civic Federation, Chicago.]

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### AMERICAN CITIES.

**Philadelphia.**—The Fourth Annual Message of Mayor Stuart, together with the preliminary financial and administrative reports of departments, give much interesting information concerning the progress in municipal work during the year ending December 31, 1894. A résumé of municipal activity during the Mayor's four-years' term is also given. Considering the work undertaken as well as that actually accomplished, it would seem that Philadelphia is entering upon a new era of public improvements. Street-paving, re-paving and drainage have advanced at an unprecedented rate. To take, for instance, some facts illustrative of this change, we find that during the last four years, nearly one and one-quarter million square yards of street were repaved with modern and improved pavement. This represents twenty-five miles more than the entire surface repaved during the twenty years from 1870 to 1890. In addition, about one and one-half million square yards of new paving were laid during the same period. The additional privileges granted to the passenger railway companies incident to the introduction of the trolley system were made conditional upon the repaving of the streets occupied by such companies, with such material as the Director of Public Works might prescribe. During the two years, 1893 and 1894, the companies repaved, mainly with asphaltum, 181 miles of street. During the last four years, therefore, the city and the street railway companies have paved or repaved a total of over four hundred miles of street. This remarkable change in the condition of the streets of the city involved indirectly a large expenditure for such purposes as drainage; the laying of such improved pavement as asphaltum making it desirable to place the system of drainage in the very best condition. During the four years from January 1, 1891, nearly fifty-five miles of main and one hundred and ninety miles of branch sewers were constructed. The former represents a total

equal to the entire system of main sewers constructed between 1868 and 1891, whereas the latter is equivalent to the entire mileage of branch sewers constructed during the preceding fourteen years.

Comparing the condition of the streets in 1890 and 1894, we find that in the former there were 755 miles of paved streets, of which 115 were rubble, 375 cobble, 88 macadam roads, and 144 of improved paving (such as asphaltum). In 1894 there were 872.9 miles of improved highways, of which 92 were paved with rubble, 164 with cobbles, 114 of macadam, and 502 of improved pavements.

The report of the Bureau of Water shows a great increase in the facilities for the supply, although very little effort was made to improve its quality. During the four-years' term of the out-going Mayor, over \$4,000,000 was expended in extensions, mainly for the increase of storage and pumping capacity. While in 1890 the pumping capacity per day was about 185,000,000 gallons, in 1894 it was 311,000,000 gallons. The storage capacity of the reservoirs in 1890 was about 869,000,000 gallons; in 1894 it was 1,400,000,000 gallons, an increase of 61 per cent. The per capita consumption of water continues to increase, as is shown by the fact that in 1894 the average daily consumption was over 164 gallons per capita daily (197,000,000 gallons). The rapidly increasing per capita consumption is becoming one of the serious problems of the Water Bureau. That 164 gallons is far beyond the real needs of the city there cannot be the slightest doubt and that quite an appreciable percentage represents willful waste is equally true. One important element is the large amount of water required by the manufacturing establishments. There is no reason, why the taxpayers of Philadelphia should be paying for water consumed by such enterprises. The only possible solution to the question seems to be the introduction of a water meter system. Between 1885 and 1895 the per capita daily consumption of water increased from 72 to 164 gallons. In New York it is at present but 90 gallons, in Boston, 89.3. The water meter system will tend to reduce the waste which these 164 gallons involve, and will at all events distribute the burden of water-rates more equitably.

The city's gas works make a very favorable financial showing in spite of the fact that the price of gas was reduced in 1894 from \$1.50 to \$1.00 per thousand cubic feet. In the estimate of profit, which, during the last four years, has amounted to nearly \$3,000,000, no attempt is made to take into consideration the interest and liquidation of the loans contracted for the construction and extensions of the gas works; a system which would necessarily prevail if the works were under private control, and which the requirements of sound financial administration would seem to dictate. Under such a system,

however, the Philadelphia City Gas Works would show a considerable deficit, even under the old \$1.50 rate. With the reduction of the price of gas to \$1.00 per thousand cubic feet the surplus over operating expenses was but \$192,410. Were we to take into consideration the interest on the investment and allowance for wear and tear the deficit would be over \$850,000, while if the liquidation of the debt contracted for the construction and extension of the works were included the deficit would be nearly one and one-half million dollars. The reasons for the inordinately high cost of manufacture have not as yet been definitely ascertained. That it does cost more than in other cities there can be no doubt.

The general financial condition of the city is excellent, notwithstanding the fact that during the year 1894 the total expenditures were \$32,390,333.57 and the total receipts \$30,689,319.36, showing an excess of expenditure of \$1,700,942.21.

**New York City.**—The Committee of Seventy of New York City has just published a preliminary report of the Sub-committee on Baths and Lavatories, which makes a strong plea for a complete system of baths and lavatories within the city. The experience of the New York "*Association for Improving the Condition of the Poor*" in the construction of the people's baths, shows the great benefit derived by the poorer classes from such institutions. During the three years of its operation, over 200,000 people have used the baths, and the small charge of five cents per bath goes far toward defraying the entire cost of operation. The experience of Birmingham, Liverpool and other English cities is given, all of which tends to confirm the desirability of the institutions recommended by the committee.

#### *Review of the Situation in New York City.\**

The voters representing two million people living in the City of New York and constituting about one-third of the population of the State, effected a complete overturning of the city government in November, by a vote of three to two. To meet the demands of those who effected this change, several bills were prepared and introduced in the legislature. The most important of these were:

1. A bill giving the mayor power to remove summarily the heads of departments in the city government.
2. A bill to effect the removal of the police justices; and to make it possible to reform the police courts.
3. A bill to reorganize the department of education.
4. Three bills to reconstruct the police departments.

\* This review has been furnished by James W. Pryor, Esq., Secretary of the City Club of New York.



So far as mere legislation could avail, these bills were designed to eradicate some of the greatest and most notorious evils in our municipal government, evils from most of which thousands of the poor and defenceless were suffering daily. The police bills were not introduced until March. The bills prepared by the Lexow Senate Investigating Committee were inadequate to meet the abuses which the investigation had brought to light. Independent measures were then prepared in this city. Of the six measures named, only the first has passed the legislature. All the others have been delayed upon one pretext or another, the real reason being found, however, in the efforts of the politicians to manipulate these bills for political effect, without reference to the interests of New York City or the wishes of its people.

On the fourth of February a mass meeting called by the reform organizations was held in the large hall of Cooper Union. The assembling of a political meeting as large and representative and determined as was this, upon a day three months after an election, was an event almost unprecedented within the memory of the men who are now active in our municipal affairs. The speeches were on a high plane of civic virtue and wisdom, and evidently expressed the views of the great audience. Resolutions calling upon the legislature to pass the reform bills, and denouncing bossism, were adopted. Upon resolution of this meeting the committee which drafted the reform police bills was appointed.

Another mass meeting, equally successful, was held in Cooper Union on the twenty-seventh of March, under the auspices of the Committee of Seventy and other organizations which joined in the call. In addition to resolutions similar to those of the fourth of February this meeting adopted an address to the people of the State, in which the gravity of the situation was clearly brought out.

The earnest efforts of Mayor Strong to carry out the policy to which he is pledged are hardly second in interest to the progress of reform legislation. The consternation of the politicians, when they became convinced that the Mayor proposed to treat as serious the solemn assurances upon which he accepted the nomination from the reform organizations, has been ludicrous. The appointments thus far made have been very much superior to those to which Tammany mayors have accustomed us. With very few exceptions, the people expect the new officers to discharge their duties ably and honestly. At the same time, several of the appointments have been criticised upon the ground that they seem to tend toward a division of spoils among the political bodies which supported the reform candidates. These are appointments of men who are active and prominent in those bodies. The

criticism is made upon principle, and without reflecting in any way upon these men. No matter how excellent the standard of men appointed, such an apportionment of appointments would bring the present administration within the spirit of the system which was overthrown in the recent elections.

**Boston.**—The retirement of Mayor Matthews, who occupied the position of chief executive for four consecutive terms (of one year each), has been the occasion of an address upon the condition of the city during his administration.\* In this review of the administrative and financial condition of the city, Mayor Matthews makes several important recommendations. He advocates the lengthening of the term of the executive from one to two or three years; the appointment of heads of departments for an indeterminate period, that is, until death, resignation or removal; the consolidation of the present departments, thirty-three in number, into a small number of important executive departments; with further sub-divisions into bureaus. The legislative branch, which is at present bicameral, ought to be, according to Mr. Matthews, a single body, composed of from twenty-four to twenty-seven men elected for a term of three years. One of the strongest recommendations of the Mayor is for the radical re-organization of the system of police administration. Since 1885 this department has been in the hands of a State board appointed by the governor. It is suggested that the police department be again restored to the control of the city and placed in charge of a superintendent appointed by the mayor. The various elective officials, such as the Board of Street Commissioners, are to be placed under a system of mayoralty appointment. A similar reorganization of the Department of Education, to be placed under a superintendent appointed by the mayor, is recommended.

At the close of these suggestions for reform, the Mayor makes a statement which is extremely characteristic of the attitude of the State legislatures toward the cities, and throws not a little light upon the present condition of city government in the United States. In explaining why these reforms have not been pressed with greater energy by himself and others, he urges as an excuse that it would be impossible for a Democratic mayor to obtain any such changes from a Republican legislature. They would be looked upon as a scheme to benefit a Democratic administration. He expresses the hope that the incoming mayor, a Republican, will fare better at the hands of the legislature.

\* "City Government of Boston." By NATHAN MATTHEWS, JR., Mayor of Boston, 1891-95. The valedictory address to the members of the City Council, January 5, 1895. Boston: Rockwell & Churchill, State Printers.

*Street Railways in Massachusetts.*

The Twenty-sixth Annual Report of the Massachusetts Board of Railroad Commissioners\* gives a complete description of the street railway systems in the cities of the State. The fact that few of our States publish such reports accounts for the lack of information concerning the development and financial importance of the street railway system in the United States.

The report shows, in the first place, a remarkable increase in the electric railway system. Thus, as late as 1888, there was not a single mile of electric railway in operation in Massachusetts. The length of the horse railway system was 534 miles. By the end of 1894 it had decreased to 104 miles; the electric system having increased to 825 miles, making a total of 929 miles. This increase of a new system of street railway transportation has necessitated a large capital expenditure, which for the time being has diminished the dividends, so that in 1894 the average rate was 6.1 per cent compared with 6.9 per cent in 1893.

The advantage of the electric over the horse car system is not brought out quite as clearly as one would expect. In comparing the net earnings of the horse car system, we find the following percentage of increase in the accounts of the latter as compared with the former in 1888:

Net earnings per passenger . . . . .	60.5 per cent.
Net earnings per car mile run . . . . .	66.0 " "
Net earnings per round trip run . . . . .	82.5 " "
Net earnings per mile of railway . . . . .	59.87 " "
Cost of railway per mile . . . . .	59.17 " "
Capitalization per mile . . . . .	63.95 " "

The economy affected by the electric system is shown, however, by the fact that while in 1885 the percentage of operating expenses to income was 80.2 per cent in 1894 the proportion was but 69.51 per cent.

The last decade has shown a marvelous increase in the capital invested in street railway transportation. Thus, in 1885 the capital stock of all the street railway companies in Massachusetts was little more than \$8,000,000; in 1894 it was nearly \$27,000,000. During the same period the number of employes has increased from 4103 to 7451; the number of cars from 2114 to 4058; the total passengers carried from 100,746,786 to 220,464,099; while the number of horses used has decreased from 9785 to 2014. The report contains an analysis of

\* "Twenty-sixth Annual Report of the Board of Railway Commissioners." Public Document, No. 14. January, 1895. Boston: Wright & Potter Printing Co., State Printers.



the accounts of all the street railway companies within the State, making it comparatively easy for any municipality to determine the possible income that might be derived from a participation in the profits of such companies. The lack of trustworthy information on this point in most of our American cities has been one of the reasons for the absence of any just appreciation on the part of the population of the value of franchises granted to such companies.

**San Francisco.**—The citizens of San Francisco are about to vote upon a new charter framed in accordance with the Constitutional Amendment adopted in 1879, which gives to all cities with a population exceeding one hundred thousand,\* the right to frame their own charters through an elective board of fifteen free-holders, which charter must be submitted to the people for adoption or rejection. In 1880 San Francisco made a first attempt to take advantage of this provision, but the charter adopted by the board of free-holders was rejected by the people. In 1882 another board was elected, but their charter shared the same fate. A third attempt in 1887 proved equally unsuccessful.

The present charter for the city was framed by a board of free-holders elected in November, 1894. It contains some radical changes in the form of government. The legislative power is vested in a Board of Supervisors consisting of twelve members elected on a general ticket for a term of two years. The main changes however, are found in the provisions relating to the executive departments, especially in the position of the mayor. He is to be elected for a term of two years and the appointment of all officers, whose election or appointment is not otherwise specially provided for, is placed in his hands. He is made ex-officio president of the board of supervisors. The Department of Public Works is placed under the management of three commissioners, constituting a board of public works to be appointed by the mayor for a period of four years, subject to removal by him. This board is to have full charge of the work on streets, sewers, public buildings, and the supervision of contracts connected therewith.

The educational system of the city is placed under the control and management of a board of five school directors appointed by the mayor for a period of four years. The Police Department is to be managed by a board of four police commissioners, appointed by the mayor for a term of four years. It is provided that the mayor shall not appoint more than two from the same political party. The Fire Department is placed under a similar board, similarly appointed. The Health Department, under a board of three members, and a Board of

\* By subsequent amendments extended to cities with a population exceeding ten thousand.

Election Commissioners consisting of four members, are all appointed by the mayor for terms of two and four years respectively.

The charter, furthermore, contains important civil service provisions, applying to the main departments of the city government. A board of three civil service commissioners is provided for, to be appointed by the mayor for a term of three years. On the sixteenth of April, 1895, this charter is to be submitted to the people at a special election. If adopted by them, it must be submitted to the legislature, which has the right to accept or reject it *in toto*. If ratified by the legislature, it then becomes the organic law of the city, superseding its present charter and any special laws inconsistent with its provisions.

#### FOREIGN CITIES.

Berlin.—A recent report of the "*Fire Insurance Institute*" shows the increasing importance and usefulness of one of the oldest municipal institutions of Berlin. At the close of the last century the city organized what amounts to a mutual fire insurance association of property owners. Insurance against fire in this association was made obligatory upon every property owner, and the premium was made dependent upon the losses incurred during the year. In this way every property owner became interested in the fire-proof construction of every building within the city, which accounts to a very great extent for the strict enforcement of building regulations. The report shows that during the last year the buildings within the city were insured for over \$800,000,000, and that the loss by fire amounted to a little over \$150,000, or nine cents per capita of the population. When this is compared with the loss in other cities, the amount is insignificant. Thus, in New York the loss from fire in 1891 was \$3.86 per capita; in Chicago, \$2.44; in Philadelphia, \$2.34, and in Paris, 45c.

London.—The report of the Royal Commission on the "Unification of London,"\* appointed in March, 1893, contains a very complete exposition of the peculiar administrative and financial conditions under which the great English metropolis has been living. The Commission, which was composed of the Hon. Leonard H. Courtney; Sir Thomas Henry Farrer; Mr. Robert D. Holt, Mayor of the City of Liverpool; Henry H. Crawford, Esq., Solicitor to the Corporation of the city of London; and Edward O. Smith, Esq., Town Clerk of the city of Birmingham, examined experts and parties interested at stated intervals from the ninth of June, 1893, until the eighth of June, 1894.

\* The report is printed by Eyre & Spottiswoode, Fleet street, London. Vol. I, Minutes of Evidence, price, 5s. Vol. II, Special Reports, price, 5s. 7d. Vol. III, Report of the Commissioners, price, 1s. 3d.

The first volume of the report (620 quarto pages) contains the testimony of these witnesses. The second volume, which, for purposes of ascertaining the present condition of local government in Metropolitan London, is by far the most valuable, contains some twenty special reports upon such questions as the relation of the city of London to the surrounding vestries; the powers and duties of the various local authorities throughout the county; the position of the London County Council; the financial condition of the Corporation of the city of London; statistics concerning the local areas into which London is divided for various governmental and electoral purposes, etc. These reports tend to show the chaotic condition of administrative jurisdiction in the county of London.

The old city with its single square mile of area and a continually diminishing population (in 1891; 37,000) still retains many of the privileges of the mediæval corporation. It is true the "Metropolis Management Act" of 1885 gave to the enormous population of the present county of London a kind of central authority with jurisdiction extending over the entire area, but its powers were so restricted and traversed at every turn by the powers of the local vestry boards that a systematic and harmonious development of municipal institutions remained practically impossible. During the period between this act and the Local Government Act of 1888, the powers of this "Metropolitan Board of Works" were gradually increased; the "City," however, retaining the greater part of its former powers and privileges. The establishment of a representative County Council, which in 1888 succeeded to the old Metropolitan Board of Works, marked an important step toward giving to the county of London a strong central organization capable of co-ordinating the more important problems of local policy. The city was expressly exempted from the most important provisions; a state of affairs which in the lapse of time must necessarily become untenable. Immediately after the establishment of the County Council the efforts to bring the "City" within the ordinary jurisdiction of a central municipal authority were resumed with renewed vigor. The result was the appointment of a Royal Commission, and the present report. In the third volume the commissioners make their recommendations, to which is appended a report of a special committee of the Court of Common Council of the city, dissenting from the views of the Commission.

The Commission recommends that the government of the county of London be entrusted to a central representative authority; and that the present city should become merged into the county; the entire district being incorporated under the name of the "Mayor and Commonalty and Citizens of London." The present local bodies or vestries



are to be reorganized and given a certain measure of independence as regards purely local matters, and governed through a mayor and elective council. The central authority is to consist of a Council of 122 councillors and twenty aldermen presided over by a Lord Mayor, who is to succeed to all the actual and traditional privileges of the Lord-Mayor of the "City." The property of the present city is to be vested in the new corporation, and the administration of the city police to be transferred to the Home Office until the question of the management of the police system of the county is definitely settled.

The report clearly shows a desire on the part of the Commission to make the transition to a unified form of municipal government as gradual as possible in order to make the changes acceptable to those sections now enjoying special privileges.

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"Municipal Reform Movements in the United States." By WM. H. TOLMAN, Ph. D., Secretary of the City Vigilance League, New York City. With an introductory chapter by the Rev. Chas. H. Parkhurst, D.D. Pp. 219. Price, \$1.00. New York : F. H. Revell Company, 1895. The volume of Mr. Tolman contains an account of the various movements for civic reform throughout the United States. It will be of special value to those contemplating the organization of societies for civic betterment, and contains many valuable hints concerning such work.

"Street Railway Investments : A Study in Values." By EDWARD E. HIGGINS. Pp. 102. New York : Street Railway Publishing Co., 1895. The volume by Mr. Higgins traces the growth of the passenger railway system in this country. The author has very wisely divided the subject so as to treat the various classes of cities separately. Thus, in seven chapters he deals with the surface railways in cities of a population of less than 15,000 ; of from 15,000 to 25,000 ; 25,000 to 35,000 ; 35,000 to 50,000 ; 50,000 to 100,000 ; 100,000 to 500,000, and finally of cities with a population of over 500,000. The statistical data which lack careful co-ordination, serve to show the important place occupied by this branch of public transportation service as a means of investment.

#### *Magazine Articles.*

In the *Review of Reviews* for April, Dr. Shaw gives an account of the activity of the more important reform associations throughout the United States. The common ends towards which they are all striving, such as, non-partisanship in local elections, freedom of the municipality from legislative interference, etc., are clearly shown.

In the *Engineering Magazine* for April, Mr. M. J. Francisco contributes an article on "The Municipal Ownership of Public

Corporations," which is a savage attack upon the extension of municipal functions beyond purely political action.

In the same number Mr. Allen R. Foote discusses the control of public-service corporations by municipalities.

Professor Frank J. Goodnow, of Columbia College, discusses the question of "Municipal Home Rule" in the *Political Science Quarterly* for March. The amendments to the Constitution of New York, with special reference to the provisions regarding special legislation are discussed. The author endeavors to show the utter inadequacy of the ordinary restrictions upon special legislation for cities. The only safe procedure seems to be the insertion of a definition of special legislation in the Constitution itself. Otherwise, there is danger that restrictions will be rendered of no effect through the liberal interpretation of the courts. The new Constitution of New York has done this through the insertion of a clause which specifically defines general and special city laws; the latter being those which relate to a certain city or to less than all the cities of a class.

## SOCIOLOGICAL NOTES.

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[The editor of this department is glad to receive notes on all topics of interest to sociologists and persons working along sociological lines in the broadest acceptance of the term. It is not the purpose of these columns to define the boundaries of sociology, but rather to group in one place for the convenience of members of the Academy all available bits of information on the subject that would otherwise be scattered throughout various departments of the ANNALS. The usefulness of this department will naturally depend largely on the measure of co-operation accorded the editor by other members of the Academy.]

Among those who have already indicated their interest and willingness to contribute are such well-known workers along sociological lines as Professor F. H. Giddings (Columbia College), Professor W. F. Willcox (Cornell University), Dr. John Graham Brooks (Cambridge, Mass.), Dr. E. R. Gould (Johns Hopkins University), Mr. John Koren (Boston), Hon. Carroll D. Wright (Washington, D. C.), Professor E. Cheysson (Paris), Mr. Robert D. McGonnigle (Pittsburg, Pa.), President John H. Finley (Knox College), Prof. D. R. Dewey (Boston), Miss Emily Green Balch (Jamaica Plains, Mass.), Miss M. E. Richmond (Baltimore, Md.), and others.

**The Theory of Sociology.—*The Law of Population.*** Three significant publications \* attest a renewed interest in the study of Malthus and an attempt to restate the Malthusian law of population in a way that cannot fail to attract the attention of sociologists. In its original form the theory of Malthus, which regarded the growth of population as limited by the increase in the means of subsistence, was a purely economic problem, and as such received constant discussion and some modification at the hands of all leading economists. Professor Patten calls attention to Malthus' own statement of his law and to the confusion in his own thought which led Malthus himself to shift somewhat his basis of proof. This led, further, to several different statements of the law on the part of Malthus' successors. Professor Patten enumerates four statements of the law, all of which he finds defective, and claims that if the law is to be made of any use in political economy, "it must be restated in a manner more in harmony with the present tendencies of economic thought." He claims that "the opposition to be harmonized is not between population and the means of subsistence, but rather between population and productive power,"

\* "Population and Capital." By ARTHUR T. HADLEY. A paper read at the seventh annual meeting of the American Economic Association, Columbia College, Dec. 27, 1894. To appear shortly in a volume of papers which will make Nos. 5 and 6 of Vol. ix. of the Publications of the American Economic Association.

"The Law of Population Restated." By SIMON N. PATTEN. *Political Science Quarterly*. March, 1895.

"Versuch einer Bevölkerungslehre ausgehend von einer Kritik des Malthusischen Bevölkerungsprinzips." By Dr. FRANK PETER. Pp. vii-97. Jena, 1894.



and his conclusion is that "over-population is relative and has its cause in social and not in physical conditions."

As a check to over-population Malthus laid much stress upon prudence and self-restraint, giving two qualities which Professor Patten thinks are developed by the same conditions that increase the food supply, or, what is the same thing, increase the productive power of society, and, at the same time, the unconscious economic checks to population.

Professor Hadley approaches the problem from a somewhat different side, but reaches an almost identical conclusion. Comparing the growth of population and capital, he finds interacting and mutually restrictive elements which tend to an equilibrium. He believes that the use of sociological methods of inquiry enables us to connect a discussion of the growth of social capital with a study of the Malthusian theory, and through the combination "to present the essential truth which underlies them both in a more guarded, and, at the same time, a more convincing and useful form than is commonly given." He sketches briefly the attempts of more primitive societies to meet the issue involved in the conflict between the growth of population and the growth of social capital, by infanticide and the institution of the matriarchate, and finally by the development of the military family, which enables social capital to accumulate from century to century in the hands of the strongest. Even if the system of property is unfair, a new tendency is manifest and the struggle becomes one for domination rather than for annihilation. Under the perfection of the military system, in the changes brought about much more stress is laid on the production of wealth as well as on its appropriation, and thus a capitalistic system is gradually introduced. Individual capital becomes a directing force in progress by the law of selection. Not merely do the strong and the industrious survive, as in the patriarchal and mediæval systems; but the prudent and intellectual are eliminated from the reckless and emotional. Professor Hadley's conclusion is that "Malthus made a mistake in giving too much countenance to the idea that preventive checks must be conscious; but his socialistic critics make a greater mistake in holding that such checks are automatic. The truth would seem to be that such checks are, for the most part, institutional. The modern family and the modern law of capital have acted as a powerful system of preventive checks to population. The apparently automatic and often unconscious operation of these checks must not blind us to the historical power which has established and perpetuated them."

Dr. Fetter has worked out with considerable care a criticism of Malthus, and has tested by an able collection of statistical material the Malthusian predictions and has re-stated the Malthusian theory

in a form which he calls "a voluntary theory of population," in which he emphasizes social and psychic factors in very much the same way as Professors Hadley and Patten. In his criticism of Malthus' statement of his law, Dr. Fetter calls attention to the double sense in which the word "tendency" or "tends" is used: "Malthus undoubtedly sometimes meant by the statement that the population has a tendency to increase faster than the means of subsistence; that the possibility or capability of such increase is always present, and, again, in the other sense to which this phrase is open, that the number of people in any given society at any given time actually did increase in conformity to this law." Dr. Fetter points out very well how the double thought involved not only created confusion in the mind of Malthus, but has been the cause of much of the dispute among his followers. He concludes that Malthus' central idea was that the population was in some way determined by the division of the sum of the means of subsistence, by the average amount consumed by one man, a theory similar in statement to the Wage-Fund theory. But, how the sum of the means of subsistence, or the unit of subsistence, is to be determined Malthus does not indicate. "It has the appearance of an explanation without in reality being one, and Malthus did not succeed in giving us a satisfactory theory of population."

Dr. Fetter has spared those who care to study the question on a statistical side, much trouble by bringing together in the second part of his monograph the latest statistics from all countries which will serve to test the Malthusian theory. These tables relate to the number of marriages; the age of contracting parties; the influence of property and of class distinctions on age and number of marriages; the number of children to each marriage in the various social classes, etc. A comparison of the number of persons per thousand of the population marrying, shows the following falling off for the period 1886 to 1890 compared with the figures given by Malthus based on returns for the years indicated for each country:

France (1825) . . . . .	14.7
Norway (1799) . . . . .	15.4
England (beginning of seventeenth century) . . . . .	17.4
Holland (about 1785) . . . . .	18.5
Sweden (1757-1760) . . . . .	17.8

The figures for the period 1886 to 1890 for these same countries were as follows:

France . . . . .	14.3
Norway . . . . .	12.6
England . . . . .	14.5
Holland . . . . .	13.9
Sweden . . . . .	12.3

The age of marriage for both men and women is highest among the small agricultural property holders. The age is lowest for men among the poorest classes and highest among the well-to-do classes. The general present tendency in all countries is a lowering of the age rather than a raising of the same. The birth-rate has fallen since the sixties in all western countries with the exception of Italy.

Dr. Fetter believes that the problem of over-population will be solved by the introduction of psychological elements into our education; by the influence of an improvement in the standard of life; and by the educational training of social institutions. To this latter method, he believes society must turn, and with a feeling of greater responsibility bring such educational agencies, as, for instance, the encouragement of small property-holding, State activity in the line of savings banks, etc., to bear upon the lower classes. And, with such measures in view he concludes with the words: "A rightly defined theory of population is not the prop of any impending injustice, nor the weapon of any privileged class, nor the enemy of true progress. It does not ignore the errors of the past, nor the evils of the present, and it views with hope the future of society."

**Unemployed.**—*Report of Massachusetts Commission.* The commission on the unemployed has submitted to the Legislature the first part of its report, dealing with relief measures.

Under the act authorizing its existence the commission was organized June 29, 1894, and has consequently had but a few months in which to pursue its investigation. The act called for an extensive inquiry on subjects widely differing from each other. On some of these subjects there was little data available and no precedent for the methods to be followed. The commission, therefore, has had to devise its own machinery of inquiry, as well as to collect independently the facts called for. The commission has kept well within the appropriation which was made, and has already collected a large portion of its material.

This first part of the report is confined to relief measures adopted in Massachusetts and elsewhere, chiefly during the winter of 1893-94. The discussion of the relative merits of these methods, and suggestions for the future, have been postponed until the final report, which will embody the recommendations of the Board. In Massachusetts, the relief agencies considered are special relief committees organized by the citizens of the several cities and towns, municipal departments which gave employment upon public works, labor organizations which gave out-of-work benefits or used other funds for similar purposes, private charitable agencies, and public poor departments. Interest will centre chiefly upon the operations of special relief



committees and the employment upon public works, for these were due to the unusual depression, and have seldom been resorted to in Massachusetts.

In thirteen Massachusetts cities or towns special relief committees were formed of the citizens at large. In seven of these, of which Worcester is the most striking case, relief was given without the requirement of work. In five, relief was given both gratuitously and in the form of work. Of these, Cambridge, Chelsea and Lynn are the most prominent examples. In only one city, Boston, did a special relief committee give aid except in return for work.

The employment upon public works consisted in the continuation beyond the usual season of work already in hand, the hastening of work, and the undertaking of work which probably would not have been done at all in the near future if the desire to give employment had not served as a stimulus. The work performed consisted of street cleaning, street construction, sewer work, park work, gravel filling, stone breaking, and construction and maintenance of water works. In a few cases the wages paid were considerably lower than those usually paid in the departments giving employment, for it was thought that the inexperience of the workmen and the unfavorable season made labor at the usual rates unprofitable; in many cases the wages were somewhat reduced below the usual point, but commonly, emergency men were paid the same as regular laborers. In almost every town, some loss was suffered from the inexperience of the men and the unfavorable season of the year. The average increase of cost was perhaps 40 per cent, though in some instances the increase was as much as 200 per cent.

Of relief afforded by labor organizations, the commission has been unable to obtain full statistics, partly because of the unwillingness of trade-unions to make public their doings, and partly because the relief afforded was unusual in character and therefore records of its distribution were not kept by the unions in a form available for publication. A few typical instances are stated, however, showing the unusual benefits afforded by the cigar makers and the textile workers of the State. That the trade organizations spent large sums in caring for their unemployed is shown, in addition, by the statements of those who raised special funds or opened voluntary subscriptions. The relief afforded by the central labor union of Boston is notable, not simply because it was contributed by others than members of trade organizations, but because it was distributed to families known to be in distress, whether they were connected with trade organizations or not.

The relief granted by private charities was increased in amount at least 50 per cent over that of a normal year, and the proportion of

families who applied for relief for the first time is unusually large. There were few soup houses, and a marked advance in relief methods over preceding years in the attempt to furnish work by opening wood-yards, sewing-rooms or industrial laundries. Precautions were taken that the product sold should not enter into competition with persons regularly in employment, but the difficulty of making sales in this way precluded success in most cases.

The relief afforded by public poor departments was much greater, particularly in the cities of more than 20,000 inhabitants, where it reached two or three times as much as in previous years. In four cities, men were sent to wood-yards for this purpose; in two, they were sent to the town farms; and in three, they were employed at stone-breaking.

A rough approximation of the number of persons aided, single or representatives of families, in Massachusetts by three of the relief agencies mentioned, citizens' relief committees, public works and poor departments, puts the figures at 65,000. This alone, probably represents increased or unusual aid for more than 40,000 persons or families. Some may have been counted twice, but it is hardly possible that the number aided by private charities and labor organizations would not restore this figure.

The applicants for relief were chiefly of the unskilled class. In some towns, indeed, where the distress was due to depression in an industry which furnished a large part of the employment of the town, many skilled workmen were forced to apply for aid. A large proportion, even of the skilled, are reported as improvident. In many cases, applicants appeared willing to do a fair day's work in return for their wages.

With very few exceptions, relief was afforded only to residents or persons appearing to have a *bona fide* intention to settle. Investigation was generally attempted, but usually proved to be inadequate or was subsequently abandoned altogether.

A number of interesting experiments carried on in cities of the United States outside of Massachusetts, are discussed in the report.

In Indianapolis the administration of emergency relief was undertaken by a committee of the Commercial Club which dispensed food in return for work. If a person's application for aid was reported favorably, an account book was issued to him, upon which he could obtain at a market maintained by the committee a ration supposed to be sufficient for his family. The ration was made up upon a definite system, and was intended to include all necessary foods. It was changed from time to time, and the cost was charged upon the account book at seventy-two or eighty-two cents or at one dollar,

according to its composition. The retail price of the articles would have been about \$1.60. Every effort was made to obtain the best at the lowest possible cost, and assistance was given in the selection by dealers interested in the work of the committee. The committee was unable to procure private employment for the men whom it needed to assist, and therefore, for most of the time the main reliance was public work.

In Detroit a unique plan was adopted upon the recommendation of the mayor, Hon. Hason S. Pingree, by which unoccupied land within the city limits and adjacent was utilized by the unemployed for raising vegetables for their consumption during the coming winter. About 450 acres of land were utilized in this way. A special Agricultural Commission, appointed to take charge of this work, staked off the land in small parcels, plowed and harrowed it, and furnished seed. It is reported that the venture netted to the cultivators food to the value of twelve or fourteen thousand dollars, costing the committee only three thousand six hundred dollars.

In New York the most interesting experiment was the cleaning of tenement houses, conducted under the direction of the East Side Relief Work Committee. Houses numbering seven hundred, comprising three thousand rooms, eight hundred halls, five hundred cellars, besides sheds, stables, lofts, etc., were whitewashed; three thousand four hundred eighty-five barrels of refuse were removed from five hundred fifty cellars; in addition to these, two thousand five hundred halls and two thousand two hundred rooms were cleaned and scrubbed. Nearly twenty thousand dollars was expended as wages for the unemployed in this way.

In Chicago, the most interesting relief was given by work for which payment was made in tickets redeemable in lodging, food, clothing. The work consisted of labor upon the streets.

The experiments undertaken abroad for emergency relief are similar to those in the United States, and throw but little light upon the problem.

*The Report of the Citizens' Relief Committee of Boston* \* is perhaps the most suggestive of all the reports of the special relief work for the winter of 1893-94 that have yet appeared in print. The Boston committee had at its command, by subscription, something over \$100,000, and together with money earned by the committee the sum spent aggregated \$136,000. The report gives a very full statistical analysis of just how this money was spent, and an account of the plans adopted to turn it into the most useful channels.

\* "Report of the Citizens' Relief Committee of Boston for 1893-94." Boston, 1895. Pp. 72. For sale by Clarke & Co. Price, 25 cents.



The only unremunerative work done by the committee was in cleaning the streets, for which \$25,000 was paid to 17,383 men in small sums for whole and half days' labor. Seventeen sewers were constructed at a season of the year which made the work more costly; the deficit in cost being made good from the Committee's funds; \$11,485 was paid in this way as a deficit which enabled contracts for \$35,121 to be executed; of this sum, \$25,487 was paid in wages for labor, and \$12,091 paid to men assigned by the Relief Committee. Road-building and digging down hills made up the rest of the outdoor work. Lighter indoor work for men not able for the severe outdoor work was provided in an annex to the women's work-room. As many as 200 men at a time were set to work on rag-carpets; about 500 men were thus employed and earned about \$9900 for 9900 days' work. The indoor work for women was conducted along specially able lines, and relief afforded to about 2700. About 350 women were usually employed; the largest number on any day being 525 at eighty cents a day for eight hours on three days' shifts.

A part of the products was sold and the remainder given to various charitable organizations in Boston. The means of investigation employed to secure relief only to the deserving were very thorough, and are worthy of examination as a basis for future experimentation.

**Domestic Service Question.**—In the April number of the *Ladies' Home Journal*,\* the Countess of Aberdeen has contributed some weighty words on the vexed question of household service, together with an account of an interesting experiment that she has made on the servants of her own household. In our Eastern States with the pressure for employment and the severe conditions that have in the past two years been brought about by the slackened condition of industry, it is singular that domestic service is as much a problem as ever, notwithstanding the fact that it is relatively much better paid than the lower grades of factory work. It has become evident to thoughtful students of the problem that the difficulty is not a purely economic one, having to do with the law of supply and demand; but contains also social elements. The relation between employer and employed; the lack of freedom of command over one's time within specific hours, together with a certain caste feeling—all contribute to bring about a state of affairs that makes it impossible to supply the demand for even fairly trained and efficient domestic service.

The Countess of Aberdeen in relating the results of the experiment which has covered a series of years, indicates some lines along which

\*"The Burning Question of Domestic Service and an Endeavor to Solve It." By the COUNTESS OF ABERDEEN. *Ladies' Home Journal*, Philadelphia, April, 1895.

further experiment on a larger scale in groups or families might be tried, and suggests, at least, some outlook for a reform movement. The one suggestion—of some limitation in the hours of employment for service, is in itself worthy of careful consideration. Individual families employing a small number of servants may not be able to carry out the schemes for the educational and social improvement of their employes, looking to the possibility of making such work respectable, endurable and permanent, which seem to have met with considerable success in the case of the Countess of Aberdeen ; but the suggestion certainly contains elements that might be made applicable under very different circumstances.

**The Norwegian Company System for the Control of the Liquor Traffic.**—In a recent pamphlet entitled "The Norwegian Company System ; Why Massachusetts Should Adopt and Test it," Mr. George P. Morris has given a concise and able argument for the Norwegian law, which is now being used as campaign literature throughout the State of Massachusetts, pending action on a bill that has been before its legislature for some time.

Massachusetts has twice tried and twice rejected prohibition. It has made various experiments with license systems and with the principle of local option. Local prohibition has obtained victories in several of the smaller cities. In 1884 six out of twenty-three cities voted no license, and in December, 1894, twelve out of thirty-one voted likewise ; but some of the largest and most typical cities showed no disposition to exclude the liquor traffic. In a period of thirteen years Boston, Holyoke and Newburyport have never voted "no" on a license issue ; Lowell and Northampton voted "no" but once ; Lawrence, Springfield, Chicopee, but twice, etc. In 1894, Boston, Springfield, Northampton, Lowell, Worcester and other large cities all voted for license.

In 1893 a strong movement in favor of a trial of the Norwegian Company System made itself felt in the New England press. The legislature authorized the appointment of an able commission to investigate the system, and after a very full public discussion, the commission drafted a bill which was reported to the General Court. The joint committee of the Senate and House to which it was referred gave numerous hearings to friends and opponents of the bill,—the opposition coming chiefly from liquor dealers and producers,—and the committee reported "inexpedient to legislate." After this report had been made, the friends of the bill in order to solidify their ranks, amended it to meet the objections of certain opponents who feared an injurious effect on the no-license States. In its new shape it passed the House by large majorities on its several readings, and in its final

stage, on June 12, by a vote of eighty-one to sixty-seven. The Senate passed it up to the end of its second stage, but it was defeated on its third and final vote because some of the Senators felt that another year of examination and discussion of the question might prove best. It is probable that certain pressure exerted by the liquor interests had something to do with this sudden conservatism on the part of the Massachusetts Senators.

The friends of this experiment, however, have this year made a renewed and vigorous campaign to attain their object, and a new bill now before the Massachusetts Legislature is about to go to vote and with a much more favorable outlook for its success than at any previous time. The bill is entitled: The Massachusetts Norwegian Bill of 1895. It provides that the State shall require each municipality at its annual election or town meeting to decide by ballot "yes" or "no" whether licenses for the sale of intoxicating liquors shall be granted. The bill is an extension of the local option principle, it is permissive only.

Small places which ought to and might exclude the saloon do not come within the application of the law. A town must have five thousand inhabitants before it can try the Norwegian Company System, and, further, in order to protect the cities and towns which have already voted "no" on the question of license from going back hastily to a license régime, the bill provides that no city or town may adopt the company system, except it has voted "yes" on the license question for three years previous, to the passage of this act. As a matter of fact, therefore, the act is a piece of special legislation, which, under present conditions, will apply to only ten cities and eleven towns of over five thousand population. Further conditions imposed by the bill are:

First, a petition from one per cent of the voters;

Second, a bond with a heavy indemnity guaranteeing the formation of a suitable company;

Third, the question goes to the voters for a "yes" or "no" decision as to license, which if granted, will then be granted in this form.

Fourth, the Mayor, or Chairman of Selectmen, Treasurer and Chairman of Board of Assessors are constituted a commission to decide in writing to which of two or more applying companies a monopoly of the licenses shall be granted, which decision is to be based on the fitness of the applicants for effecting the ends intended by the bill.

Fifth, no more than one license to three thousand people shall be granted. At present, outside of Boston, one license to one thousand



people, and inside of Boston one license to five hundred people may be granted.

Sixth, the hours during which the saloons may be opened are cut down from 6 a. m. to 11 p. m. as at present, to, from 8 a. m. to 10 p. m.

Seventh, in order to insure a fair trial, the question of license can come up for popular vote only once in three years.

Eighth, the company controls retail trade (up to fifty gallons) in all alcoholics, except sales in drug stores and sales under the present club law.

The financial features of the bill provide that the company receive five per cent on all money actually invested, and shall accumulate a reserve fund equal to its capital stock in order to guarantee the face value of this stock. Such reserve must be invested and cannot be touched except in case of failure, and the income from it is distributed as in the case of general profits. Net profits from the company's business are then distributed as follows: One-half goes to the establishment of coffee houses, reading rooms, etc., for the purpose of alluring men away from drink; an amount, not exceeding one-fifth, is to be devoted to the better enforcement of the liquor laws; an amount, not exceeding one-tenth, is to go to the county for increase in the number of probation offices; the balance, at least one-fifth, goes to the State for its asylums, prisons and reform schools. All profits, therefore, are distributed with a view either to prevent or help remedy the drink evil.

No stock in any company may be held by any party interested in a liquor business. The State Commissioners of Corporations must oversee everything; require accounts to be made public; and wind up the company's business by legal process in case of violation of law. Any person who chooses may apply to the County Judge of Probate for an investigation and revocation of license in the case of any company guilty of illegality.

The bill has been carefully prepared to insure the chief ends already attained by Norwegian experience, namely: First, to remove allurements to drink; second, to separate the liquor business from politics; third, to sell the least amount practicable, and that of the purest quality.

Mr. Morris' pamphlet, as well as various other articles, such as "The Norwegian System in its Home," by the Rev. D. N. Beach, published in the *New England Magazine* for February, 1895, as the result of a trip to Norway; and, a reprint of Dr. E. R. L. Gould's article on the same subject published in the *Forum* November, 1894, can be had free, for purposes of distribution, by applying (with

enclosed postage for return) to Mr. J. G. Thorp, Jr., 89 State street, Boston, Mass.

Another excellent résumé of the facts on the Norwegian system is to be found in a pamphlet by Dr. Gould, giving in a more popular form and with additional facts the substance of his report to the United States Department of Labor. This also may be had from Mr. Thorp on payment of twenty-five cents.

**The School of Applied Ethics** will hold its fourth summer session at Plymouth, Mass., commencing on July 8, 1895, and continuing for five weeks. There are to be four departments—Economics, Ethics, Education and History of Religions.

In the Department of Economics the subjects to be treated are: "The Relation of the State to Industry," "State Legislation," "Taxation," and "The Importance of Official Investigation in the Solution of Industrial Affairs." Among those to lecture in this department are Professor H. C. Adams, of Michigan University; Professor J. W. Jenks, Cornell University; Professor J. B. Clark, Amherst College; Dr. E. R. L. Gould, Johns Hopkins University; Professor Arthur H. Hadley, Yale University, and Carroll D. Wright, Commissioner of Labor.

In the Department of Ethics Professor Felix Adler will give six lectures on the following subjects: (1) "The Ethics of Industrial Conflict" (Boycotts, Strikes, etc.). (2) "The Ethics of Industrial Peace" (Mediation, Arbitration, etc.). (3) "The Effect of Modern Industrial Development on the Family." (4) "Socialism and the Family." (5) "The Future Development of Trades Unionism." (6) "Spiritual Regeneration as a Means of Promoting Industrial Progress." Professor Woodrow Wilson, Princeton University, will give two lectures on "The Referendum in Europe and the United States," and Judge Oliver Wendell Holmes may possibly give three lectures on "The Effect of Modern Economic Development on the Interpretation of the Law."

A complete program which will soon be ready can be obtained from the secretary of the school, Mr. S. Burns Weston, 1305 Arch street, Philadelphia.

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## INDEX OF NAMES.

ABBREVIATIONS.—In the Index the following abbreviations have been used: *pap.*, principal paper by the person named; *com.*, briefer communication, by the person named; *b.*, review of book of which the person named is the author; *p. n.*, personal note on the person named; *r.*, review by the person named; *trans.*, translation by the person named; *mis.*, miscellany by the person named.

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# The Theory of Sociology.

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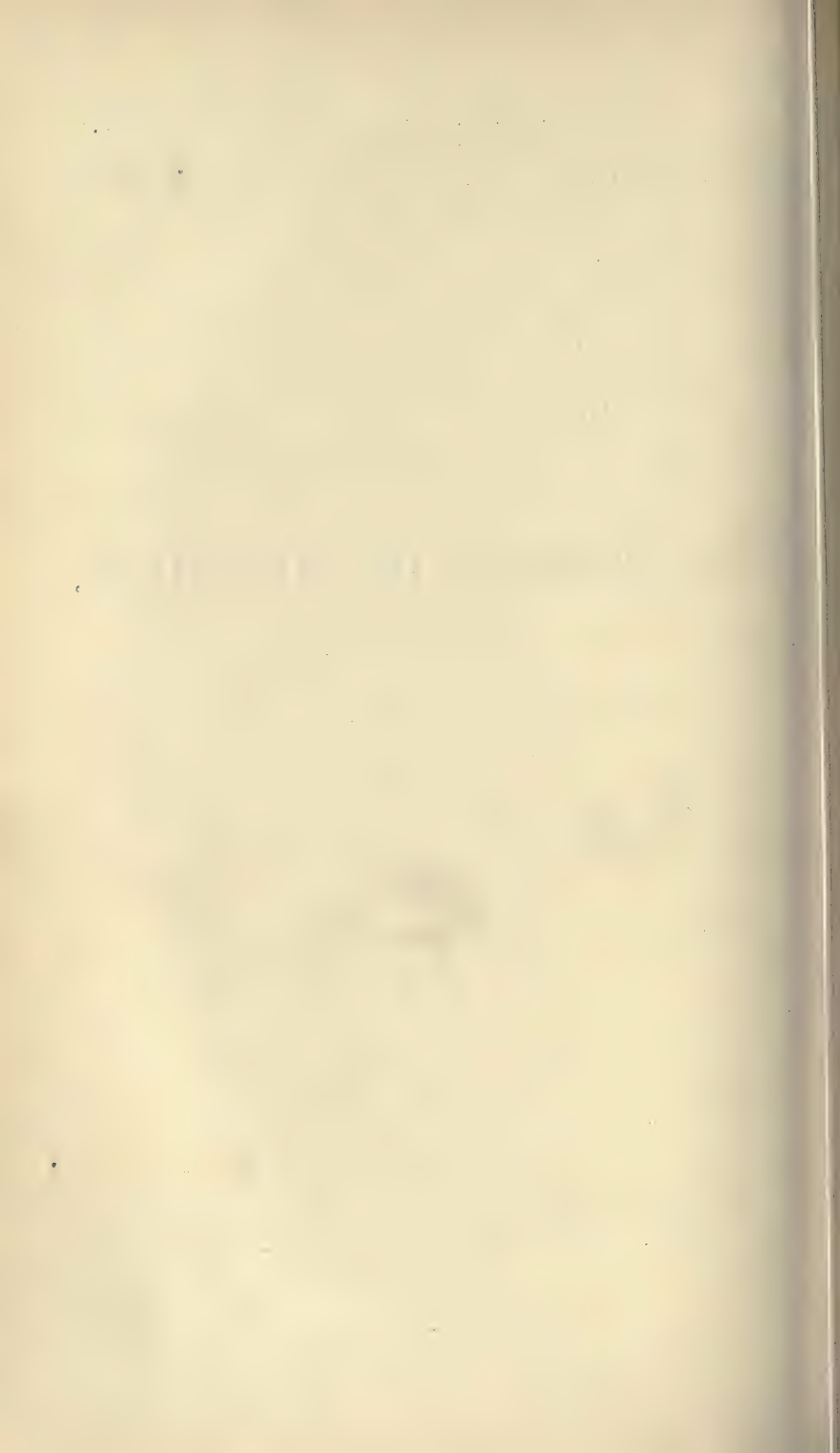
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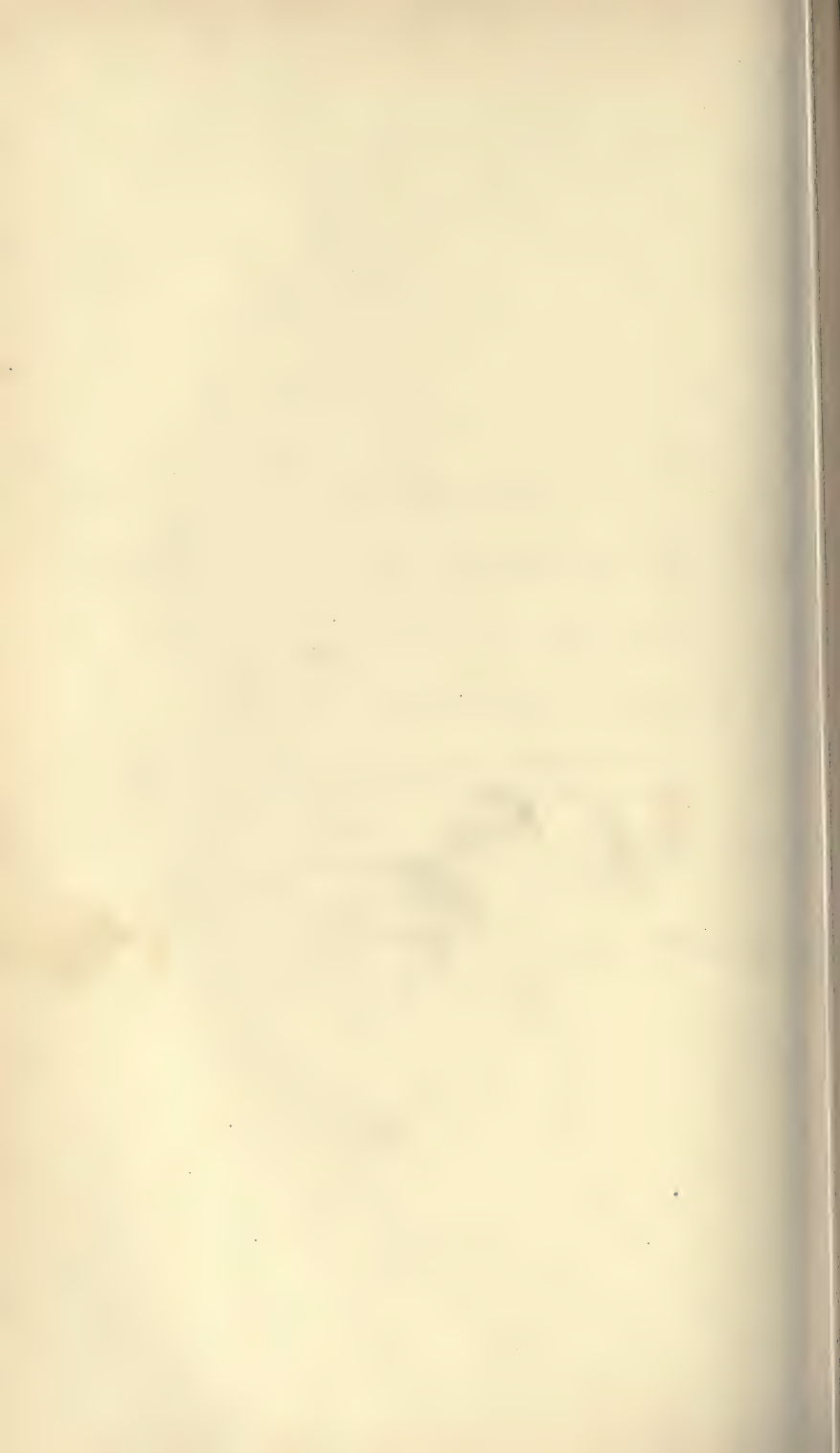
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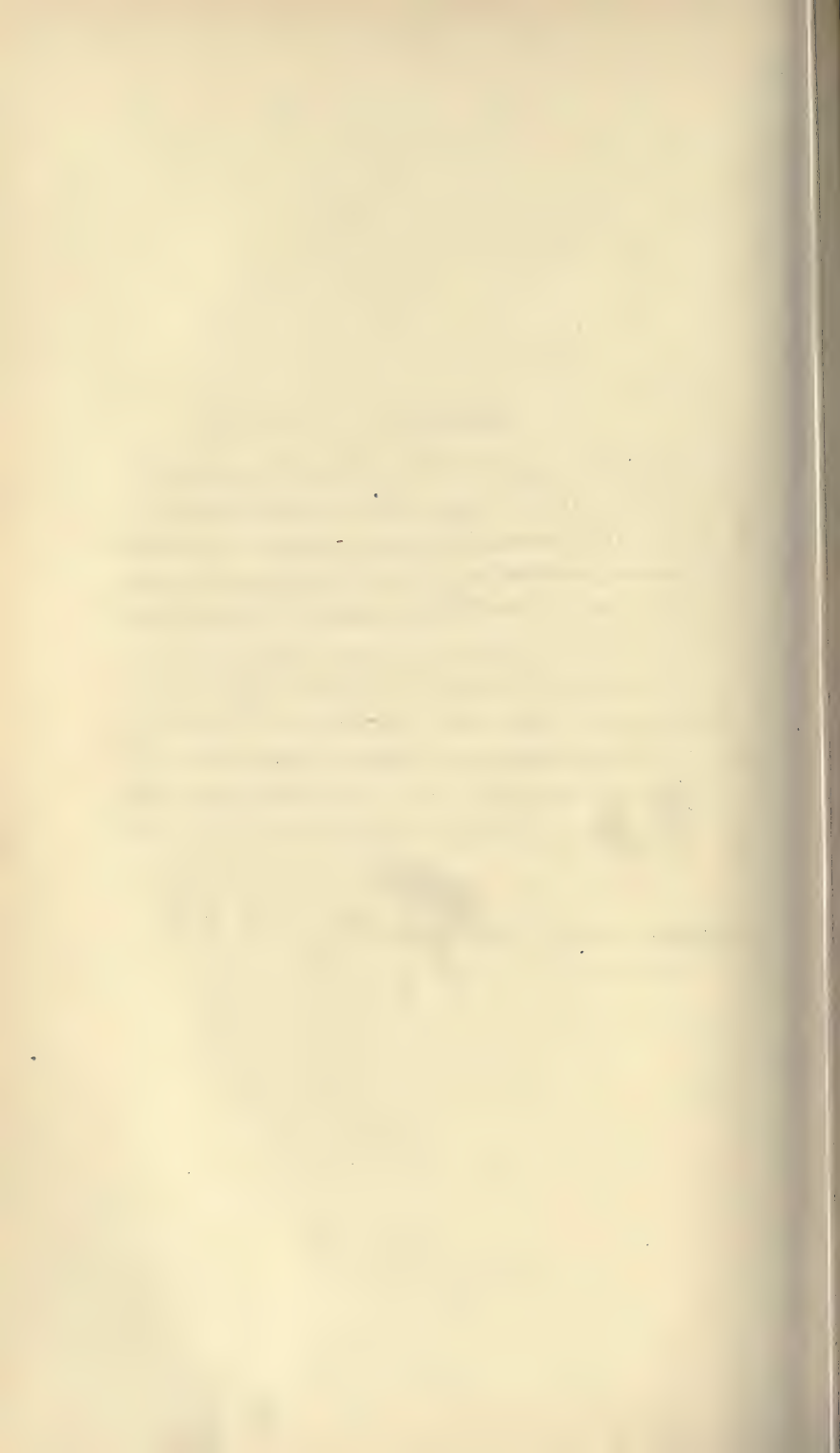
## PREFACE.

In the following pages I have sketched the theoretical positions that will be more fully described and defended in a work on the Principles of Sociology, which is now well advanced towards completion. I have incorporated portions of two papers previously published, namely, "The Province of Sociology," which appeared in *THE ANNALS OF THE AMERICAN ACADEMY OF POLITICAL AND SOCIAL SCIENCE*, Vol. I, No. I, July, 1890, and "Sociology as a University Study," which appeared in *The Political Science Quarterly*, Vol. VI, No. 4, December, 1891. The fundamental ideas of the theory here offered were presented in the earlier paper.

F. H. G.

BRYN MAWR, PENNSYLVANIA,

May 23, 1894.





# THE THEORY OF SOCIOLOGY.

## CHAPTER I.

### THE SOCIOLOGICAL IDEA.

No science is at this moment in greater need of theoretical organization than sociology. A rapidly growing body of co-ordinated knowledge is called by this name. An increasing number of earnest thinkers in England, Germany, France, Belgium, Italy and the United States are known as sociologists. Several universities in Europe and in America have introduced courses in sociology. Yet there is no definite agreement among scientific men as to what the word shall be understood to mean.

In some of the university courses it stands for a philosophy of society. In others it denominates a study of the institutions of tribal communities. In yet others it is applied to highly special studies of pauperism, crime and philanthropy. In the literature of sociology, also, an equally varied usage may be found. Special investigators employ the word in senses that are unrecognized by the systematic writers.

It is necessary, therefore, to ask whether sociology can make good its claim to be well-defined, positive science, and whether it is, after all, available as a university discipline. What, in general, is the sociological idea; and what place has it in the program of modern positive science? What, more exactly, is the province and what are the problems of sociology? What are the underlying conceptions and chief propositions of sociological theory? What is the spirit and what are the methods of sociological investigation? In attempting to answer these questions, it will be both logical and convenient to take them up in the order in which they have here been stated.

The word "sociology" was first used by Auguste Comte, in the "*Cours de Philosophie Positive*," as a name for that

part of a positive, or verifiable, philosophy, which should attempt to explain the phenomena of human society. It was exactly equivalent to "social physics," for the task of sociology was to discover the nature, the natural causes, and the natural laws of society, and to banish from history, politics and economics, all appeals to the metaphysical and the supernatural, as they had been banished from astronomy and from chemistry. Comte believed that by following the positive method sociology could become in good measure a science of previsions, forecasting the course of progress before the event.

Since Comte, sociology has been developed mainly by men who have felt the full force of an impulse that, in our day, has revolutionized scientific thinking for all time to come. The evolutionist explanation of the natural world has made its way into every department of knowledge. The law of natural selection and the conception of life as a process of adjustment of the organism to its environment, have become the very core of the biology and the psychology of to-day. It was inevitable that the evolutionary philosophy should be extended to embrace the phenomena of human life. The science that had traced life from protoplasm to man could not stop there. It must take cognizance of the ethnical groups, the natural societies of men, and of all the phenomena that they exhibit, and inquire whether these things also be not products of the universal evolution. Accordingly, we find not only in the earlier writings of Mr. Herbert Spencer, but also in those of Darwin and Haeckel, suggestions of an evolutionist account of social relations. These hints were not of themselves a sociology. For this, other factors, derived directly by induction from social phenomena, were needed.\* But they sufficed to show where some of the ground lines of the new science must lie; to reveal some of

\* Systematic treatises in which the sociological problem has been approached from the historical side, but in very different ways, are: "*Der Rassenkampf*," by Dr. Ludwig Gumplowicz, Innsbruck, 1883; "*Grundriss der Sociologie*," by the same author, Vienna, 1885, and "*Éléments de Sociologie*," by Viscount Combes de Lestrade, Paris, 1887.

its fundamental conceptions, and to demonstrate that the sociologist must be not only historian, economist and statistician, but biologist and psychologist as well. On evolutionary lines then, and through the labors of evolutionist thinkers, modern sociology has taken shape. It is an interpretation of human society in terms of natural causation. It refuses to look upon humanity as outside of the cosmic process, and a law unto itself. Sociology is an attempt to account for the origin, growth, structure and activities of human society by the operation of physical, vital and psychical causes, working together in a process of evolution.

It is hardly necessary to say that the most important endeavor in this direction is contained in Mr. Spencer's system of "Synthetic Philosophy," but it may be well to observe that most of the writers who have passed judgment on Mr. Spencer's sociological doctrines have failed to inform themselves as to the underlying principles from which his conclusions have been drawn. They have sought his sociological system in those of his books that bear sociological titles, while, in fact, the basal theorems of his sociological thought are scattered throughout the second half of the volume called "First Principles," and must be put together by the reader with some labor. These theorems, taken together, are an interpretation of social changes in terms of those laws of the persistence of force, the direction and rhythm of motion, the integration of matter and the differentiation of form, that, together, make up Mr. Spencer's well-known formula of universal evolution. At bottom this is a physical explanation, and Spencerian sociology in general, whether formulated by Mr. Spencer or by other writers under the influence of his thought, is essentially a physical philosophy of society, notwithstanding its liberal use of biological and psychological data.

But from its origin in the mind of Comte down to the the present moment, the sociological conception has involved a recognition, more or less reluctant perhaps, but unmistakable, of another interpretation which must be



reconciled with the physical explanation. Comte believed that scientifically-trained statesmen could reorganize society and guide its progress. In Spencer the thought becomes partially negative. The statesman cannot make society better by his art, but he can make it indefinitely worse. In Lester F. Ward\* the thought has again become wholly positive. Society can convert the natural process of evolution into an artificial process. It can volitionally shape its own destiny. It can become teleologically dynamic.

The detailed attempt to reconcile these two explanations has been made with great ability by Alfred Fouillée in his critical work, "*La Science Sociale Contemporaine*."† Less elaborately it is made by Schäffle in the "*Bau und Leben des sozialen Körpers*,"‡ and by Guillaume De Greef in his "*Introduction a la Sociologie*."§

In truth the physical, or objective, and the volitional, or subjective, interpretations of human society have contended with each other from early times, for, apart from systematic sociology, many essays have been made to account in a rational way for social origins and progress.

Beginning with the "Politics" of Aristotle, we trace through Montesquieu and the physiocrats an objective explanation in terms of race, soil, climate, heredity and historical conditions. Through Hobbes, Locke, Hume, Bentham, Berkeley, Kant and Hegel, we follow a subjective interpretation in terms of human nature, utility, ethical imperatives and ideals. Subjective sociology is a theory of social choices. Very recently, taking the form of a pure theory of utility, it has undergone a remarkable development, begun by Jevons and Walras, and continued by Austrian and American economists, who have contended that the phenomena of motive and choice, and consequently the social activities and relations that are determined by choice, can be formulated not

\* "Dynamic Sociology," two vols., New York, 1883, and "The Psychic Factors of Civilization," Boston, 1893.

† Paris, 1885.

‡ Tübingen, 1881.

§ Brussels and Paris, 1886 and 1889.

only scientifically in a qualitative sense, but even mathematically. Therefore it is not strange that objective explanations of society, which have been so long regarded as peculiarly "positive," should be looked upon by many students at the present moment as descriptive merely, and that the utilitarian, subjective interpretation should be thought to be of superior depth and precision.

Is it not evident that a true science of society must recognize impartially the physical and the volitional aspects of the phenomena? Is it not evident that, if we are ever to have a definite, coherent theoretical sociology, we must construct a theory that will unite in no merely artificial way, but logically, as complementary parts of the whole, the objective and the subjective explanations?

Without answering these questions dogmatically, I may say that I expect that further critical and constructive work in sociology will answer them affirmatively. It will be shown that either the objective or the subjective account is hopelessly lame without the other.

The complete theory, I venture to think, will be something like this:

Social aggregates are formed at first by external conditions, such as food supply, temperature and the contact or conflict of individuals or stocks. So far the process is physical.

But presently social aggregation begins to react favorably on the pleasure and on the life-chances of individuals. Individuals become aware of this fact, and the volitional process begins. Thenceforward the associated individuals seek deliberately to extend and to perfect their social relations. Accordingly, individual and social choices become important factors in social causation. Among scores of social relations and activities that are accidentally established, tried, or thought of, some appeal to consciousness as agreeable or desirable, while others arouse antagonism. The associated individuals choose and select, endeavoring to strengthen and perpetuate some relations, to make an end of others.

Now, however, the physical process reappears. Choices have various consequences. Judged broadly, in their bearing on the vigor, development and welfare of the community, choices may be ignorant, foolish and harmful, or enlightened, wise and beneficial. Here, then, is a new and almost limitless field for natural selection to work in. In the struggle for existence, choices, no less than individuals, may or may not survive. The choices and resulting activities and relations that, on the whole and in the long run, are baneful are terminated, perhaps through the extinction of individuals, perhaps through the disappearance of whole societies.

Thus the cycle of social causation begins and ends in the physical process. Intermediate between beginning and completion is the volitional process of artificial selection or of conscious choosing. But this is by no means, as Mr. Ward contends, a substitution of an artificial for a natural process. It is merely an enormous multiplication of the variations on which natural selection finally acts.

Accordingly the sociologist has three main quests. First, he must try to discover the conditions that determine mere aggregation and concourse. Secondly, he must try to discover the law that governs social choices, the law, that is, of the subjective process. Thirdly, he must try to discover also the law that governs the natural selection and survival of choices, the law, that is, of the objective process.



## CHAPTER II.

### THE PROVINCE OF SOCIOLOGY.

Such, in general, is the sociological idea. Of itself, however, it is not a science. A living science, holding the allegiance of practical investigators, is likely to be something less or something more than an organic part of a philosopher's system of knowledge. Comte invented the word sociology and built up a sociological theory, because he felt that the "philosophie positive" would be but a sorry fragment if left without a body of humanist doctrine to supplement biology. Mr. Spencer, with the results of a later and most brilliant half-century of discovery at his command, adopted the word and remoulded the doctrine, because he realized that a complete account of universal evolution must explain the origin and structure of human societies no less than the genesis of species and the integration of star-dust. But the question must now be raised—How much of this doctrine belongs properly within any one science? A social philosophy of Comtist or Spencerian dimensions ought, first of all, to determine its province by defining its relation to other branches of knowledge, and especially to those narrower sciences that have been dividing among themselves a patient and fruitful study of no small portion of observable social phenomena. We ought not to assume, without further analysis, that the natural interpretation of society is the function of one single, all-embracing science. The particular social sciences have not been altogether devoid of the positive character.

One group of such studies, known collectively as the political sciences, includes political economy, the philosophy of law and the theory of the State. Another includes archæology, comparative philology and the comparative study of religions. Does sociology embrace these various departments of investigation? If so, is it anything more than a collective

name for the sum of the social sciences? Assuming that it is more than a collective name, does it set aside the theoretical principles of the special social sciences or does it substitute others for them, or does it adopt and co-ordinate them?

According to the Spencerian conception, political economy, jurisprudence, the theory of the State, and such disciplines as comparative philology are differentiated parts of sociology, and therefore sufficiently distinct though co-ordinated sciences. In the view of Comte they are not true sciences at all. Comte's disparaging notion of political economy is too well known to need quotation. The life of society he conceived as indivisible; he believed that legitimate science could study it only as a whole. It is the Spencerian view that one encounters in modern discussions, yet accompanied more often than not, by plain intimations that only the subdivisions of sociology—the specialized social sciences—are of much concern to serious scholars. Regarded as a whole of which the parts are definitely organized sciences, grown already to such magnitude that the best equipped student can hardly hope to master any one of them in a lifetime, sociology is too vast a subject for practical purposes. One might as well apply to it at once Schopenhauer's epigrammatic description of history—"certainly rational knowledge, but not a science."

Yet the word will not be put by. A writer no sooner resolves that he will not take all social knowledge for his province than he tries to find a substance for the disembodied name. So it turns out that every social philosopher creates a sociology in the image of his professional specialty. To the economist sociology is a penumbral political economy—a scientific outer darkness—for inconvenient problems and obstinate facts that will not live peaceably with well-bred formulas. To the alienist and criminal anthropologist it is a social pathology. To the ethnologist it is that subdivision of his own science which supplements the account of racial traits by a description of social organization.

To the comparative mythologist and student of folklore it is an account of the evolution of culture.

A living science is not created in this way. It grows from a distinct nucleus. It becomes every decade more clearly individuated. It makes for itself a plainly circumscribed field. Its problems are unmistakably different from those of any other department of investigation.

These limitations seem to have been perceived more clearly by some other people than by the sociologists themselves. A suggestive disagreement of opinion between two eminent educators in the university of Brussels has put the matter in the strongest possible light. M. Guillaume De Greef, whose "*Introduction à la Sociologie*" I have found to be on the whole more valuable than any other general work after Mr. Spencer's, made an earnest plea in the preface of his "*Première Partie*," written in 1886, for the creation of chairs and even faculties of sociology, which should impart instruction in accordance with a certain classification of social phenomena that M. De Greef makes very important in his system. Now this classification is one of the all-comprehending schemes. It includes everything, from the husbanding of corn and wine to electioneering contests in the Institute of France. At the opening of the university on October 15, 1888, the rector, M. Van der Rest, took "*La Sociologie*" as the theme of his discourse, which was a keen and exceedingly plain-spoken argument against M. De Greef's views, and a justification of refusal to institute the special chair desired. Sociology was characterized as a badly determined science, that presents no well-defined line of demarcation from the moral and political sciences, and that touches the most varied questions, all of which, nevertheless, are comprised within the limits of the studies of existing chairs.

The rector's own view of sociology was summed up as follows:

I adopt the word but simply as the name of a concept of the human mind. Accepting the sense that has been given to it, I would mean by it the science of social phenomena. But I would add that if we go beyond the domain of abstraction, the science so defined can be



understood in one of two ways only: either it will have for its object a study of men united in society, including all the facts that it can find in social life, disengaging their laws and connecting the social present with the past and the future—in which case the science cannot be constructed, and will be nothing more than the *ensemble* of our political and moral sciences bound together in a chimerical unity; or it will consist only of general views on social progress, and then it seems to me impossible to make out the line of demarcation that separates sociology from a much older science, the philosophy of history.\*

We need not accept M. Van der Rest's conclusion that a concrete sociology must be either the *ensemble* of the moral and political sciences or a philosophy of history, but we may agree with him that if it is an indefinite, badly determined thing, it cannot be a university study. Sociology cannot be taught as an organon of the social sciences, nor yet as a mass of unrelated facts left over from other researches.

Clear thinking and a discriminating use of terms will create order from the confusion and establish sociology in its rightful position, where it can no longer encroach on the territory of other sciences nor be crowded out of the field by them. Sociology is a general social science, but a general science is not necessarily a group of sciences. No doubt the word will continue to be used as a short term for the social sciences collectively, and there is no harm in that. Again, in a synthetic philosophy like Mr. Spencer's it can always be used legitimately to denote an explanation of social evolution in broad outlines of abstract truth. But the sociology of the working sociologist, and of the university, will be a definite and concrete body of knowledge that can be presented in the class-room and worked over in the seminarium. These last conditions are crucial for the existence of the science; for when sociology has as distinct a place in the working program of the university as political economy or psychology, its scientific claims will be beyond cavil. But that will be only when educated men have learned to conceive of sociology as distinctly and concretely as they conceive of other sciences. The word must instantly call to

\* "*La Sociologie*," Bruxelles, 1888, p. 33.

mind a particular class of phenomena and a definite group of co-ordinated problems.

That such distinct, concrete conceptions will, in time, displace the vague notions now afloat, is beyond reasonable doubt. If we adhere to methods of sound logic, and accept guidance from the history of other sciences, we cannot find it especially difficult to mark off sociology from the special social sciences when once we apply ourselves seriously to the task. Whenever phenomena belonging to a single class, and therefore properly the subject-matter of a single science, are so numerous and complicated that no one investigator can hope to become acquainted with them all, they will be partitioned among many particular sciences; yet there may be a general science of the phenomena in their entirety, as a class, on one condition, namely, the general science must deal with attributes of the class that are common to all of its sub-classes and not with the particular attributes of any sub-class. Such common attributes are elementary. General principles are fundamental. A general science, therefore, is a science of elements and first principles.

Biology affords the most helpful analogy. The word "biology" like "sociology," was proposed by Comte, and he used both the one and the other for like reasons. He believed in a science of life as a whole, as in a science of society as a whole. But "biology," like "sociology," had no vogue until Mr. Spencer took it up. All but the youngest of our scientific men can remember when it began to creep into college and university catalogues. Neither the word nor the idea obtained recognition without a struggle. What was there in biology, the objectors said, that was not already taught as "natural history," or as botany and zoology, or as anatomy and physiology? The reply of the biologists was that the essential phenomena of life—cellular structure, nutrition and waste, growth and reproduction, adaptation to environment, and natural selection—are common to animal and plant; that structure and function are unintelligible

apart from each other; and that the student will therefore get a false or distorted view of his subject unless he is made to see the phenomena of life in their unity as well as in their special phases. He should study botany and zoology, of course, but he should be grounded first in biology, the science of the essential and universal phenomena of life under all its varied forms. This view of the matter won its way by mere inherent truthfulness and good sense. General biology became a working laboratory science, conceived and pursued as a groundwork of more special biological sciences.

The question about sociology is precisely similar and must be answered in the same way. What aspect of social life is not already brought under scrutiny in one or more of the economic, political, or historical courses already provided in well-organized universities? Perhaps none, yet, as the sociologist sees it, this is not the real question. Is society after all a whole? Is social activity continuous? Are there certain essential facts, causes or laws in society, which are common to communities of all kinds, at all times, and which underlie and explain the more special social forms? If we must answer "yes," then these universal truths should be taught. To teach ethnology, the philosophy of history, political economy and the theory of the State, to men who have not learned these first principles of sociology, is like teaching astronomy or thermodynamics to men who have not learned the Newtonian laws of motion. An analysis, then, of the general characteristics of social phenomena and a formulation of the general laws of social evolution, should be made the basis of special study in all departments of social science.

Sociology therefore may be defined as the science of social elements and first principles. It is not the inclusive, but the fundamental social science. It is not the sum of the social sciences, but the groundwork, in which they find a common basis. Its far-reaching principles are the postulates of special sciences, and as such they co-ordinate and bind together



the whole body of social generalizations into a large scientific unity. Not concerned with the detail of social phenomena, sociology is intermediate between the organic sciences on the one hand, and the political and historical sciences on the other. Sociology rests on biology and psychology. The special social sciences rest on sociology.

Yet, after all, have we not overlooked an important possibility? May it not be that our fundamental social science, granting that there is and must be one, is no new and unfamiliar knowledge, but simply one of those older social sciences that we have called special; politics for example, or political economy?

The fundamental social science, whatever it is, must not take for granted social data that admit of scientific explanation by reduction to simpler terms. If either political economy or the theory of the State, or any other social science, builds on assumptions that are, demonstrably, inductions from more elementary social truths, such a science has no claim to logical precedence. Whether its interpretations are objective or subjective in form, the ultimate social science must reduce its subject-matter to primary social phenomena, or to incipient social motives.

So far, then, as the objective interpretation is concerned, neither political economy nor politics can pretend that it goes back to primary facts in the social category.

Both frankly assume without explanation the phenomena of human association.

It is true that systematic works on political economy have usually included discussions of the Malthusian theory of population, and of the hypothesis of the diminishing returns of land, and have thereby put forward partial explanations of the interaction between population and environment. But of these discussions it is to be said, first, that they are not logically parts of political economy proper. For political economy in a strict sense, they are merely data, as many of the text writers long since recognized, the constructive study of which, on their own merits, must fall within sociology, if

such a science is ever elaborated. In the second place, even if we include them in political economy, they do not account for association. Population may increase at any possible rate, and unequal returns from land may distribute the increase unequally, sparsely here and densely there, but people do not therefore necessarily associate. As much as this political economy admits by its procedure, for in all its further discussions—as of co-operation and division of labor, of combination and competition, of exchange and distribution—political economy at once takes the whole social milieu for granted. The benefits flowing from all these things react favorably on association, but they are not the first cause of association. They could not have come into existence before association itself was established.

In the same way, in political science as it has been written, there have been, since Aristotle's day, long prefatory accounts of the origins of human communities, usually mere elaborations of the patriarchal theory. But the greatest step forward that political science has made in recent years, has been its discovery that its province is not co-extensive with the investigation of society, and that the lines of demarcation can be definitely drawn. In his great work on "Political Science and Comparative Constitutional Law," Professor Burgess has not only sharply distinguished the government from the State, but for the first time in political philosophy, he has clearly distinguished the State as it is organized in the constitution from the State behind the constitution. "A population speaking a common language and having common ideas as to the fundamental principles of rights and wrongs, and resident upon a territory separated by high mountain ranges or broad bodies of water or by climatic differences from other territory,"\* such is the State behind the constitution. It "presents us with the natural basis of a true and permanent political establishment." It is "the womb of constitutions and of revolutions." Political

\*"The American Commonwealth," *Political Science Quarterly*, Vol. I, No. 1, March, 1886, page 13.

science studies the State within the constitution and shows how it expresses its will in acts of government. It inquires how this State within the constitution is created and moulded by the State behind the constitution, but beyond this political science proper does not go. The State behind the constitution, or natural society as we should otherwise call it, is for politics, as for political economy, a datum. The detailed study of its origins and evolution falls within the province of sociology.

If, now, we turn to subjective interpretations, or the explanation of social phenomena in terms of motive, we shall find that here, also, the political and other social sciences assume, to start with, certain premises, which, on further examination, turn out to be sociological truths, neither simple nor elementary.

We will begin, as before, with political economy. Economists have lately gained new insight into the nature of the premises of economic theory. They are no longer content to describe their science as concerned merely about material wealth. The psychological nomenclature that is finding its way so rapidly into current economic discussion is significant chiefly of new points of view and of an important change of perspective. The purely mental phenomena of wants and satisfactions are brought into the foreground. The production of material commodities is no longer placed first in exposition; for it is seen that certain laws of consumption, reigning deep down in human nature, govern the whole process of production and exchange. Many years ago President Walker described consumption as the dynamics of wealth, and we are now just beginning to understand how much the saying may mean. Desires, it is evident, are the motive forces of the economic world. According to their varying numbers, intensities and forms are shaped the outward activities of men and the myriad phases of industry and trade.

But what, then, of the origin of desires themselves? What conditions have determined their evolution, from those



crude, primitive wants of a purely animal existence, that the savage shares with baboons and wild gorillas, up to those of the "good gorilla," as M. Renan has called him, the man of gentle instincts and cultivated tastes? These are interesting questions, but the economist does not answer them. He takes desires as he finds them, save in so far as he finds it necessary, in working out the dynamic phases of his subject, to observe the reactions of economic life itself upon desire. But in general, desires are for him the premises of an intricate deductive scheme, and nothing more.

How is it with the theory of the State? Political science, too, finds its premises in facts of human nature. The motive forces of political life, as of economic life, are the desires of men, but under another aspect—desires no longer individual merely, and no longer a craving for satisfactions that must come for the most part in material forms. They are desires massed and generalized; desires felt simultaneously and continuously by thousands, or even by millions of men, who are by them simultaneously moved to concerted action. They are desires of what we may call the social mind in distinction from the individual mind, and they are chiefly for such ideal things as national power and renown, or conditions of liberty and peace. Transmuted into will, they become the phenomenon of sovereignty—the obedience-compelling power of the State. Political science describes these gigantic forces of the social mind and studies their action; but it no more concerns itself with their geneses than political economy concerns itself with the genesis of individual desires. It simply assumes for every nation a national character, and is content that the political constitution of the State can be scientifically deduced from the character assumed. It takes the fact of sovereignty and builds upon it, and does not speculate how sovereignty came to be, as did Hobbes and Locke and Rousseau. It starts exactly where Aristotle started, with the dictum that man is a political animal, and does not attempt to go farther back.

There is a group of sciences that are concerned with various special phases of the social mind. The foundation of these is comparative philology, which Renan, writing in 1848 of the future of science, with clear vision and happy phrase described as "the *exact science* of things intellectual." On this science have been built the sciences of comparative mythology and comparative religion, and materials are even now accumulating for a science of comparative art. Of all these sciences, as of economics and politics, the postulates, not always distinctly stated but always implied, are human desires; for aspiration is but desire blending itself with belief and rising into the ideal. Unlike economics and politics, however, these sciences of *Culturgeschichte* do to some extent deal directly with the genesis of the mental states that are their postulates. But they study them only in very special phases and with a narrowly specific purpose. Upon the broad question of the evolution and ultimate causation of desires in general, they have no occasion to enter.

Thus it would appear that there is no one of the recognized social sciences that takes for its peculiar problem the investigation of the origins of those motive forces that are everywhere assumed to account for all that comes to pass in the social life of mankind. Yet though not investigated, nor taken up for patient scientific analysis, these origins are by no means hidden. The manner of their causation is everywhere taken for granted, as if so simple a thing could not possibly be overlooked or stand in need of explanation. Association, comradeship, co-operation, have converted the wild gorilla into the good gorilla and brought it to be that, in the quaint words of Bacon,

there is in man's nature a secret inclination and motion towards love of others, which if it be not spent on some one or a few, doth naturally spend itself towards many, and maketh men become humane and charitable, as it is seen sometimes in friars.

Or to drop the figure—for it is nothing more, since the human progenitor must have been a social and companionable sort of ape, and no gorilla at all—it has been the

rubbing of crude natures together that has made fine natures. It has been the well-nigh infinite multiplication of sensations, experiences, suggestions, due to the prolonged and intimate gregariousness of human hordes in those favorable environments where population could become relatively dense, that has created the human mind and filled it with those innumerable wants that impel to ceaseless effort and tireless questioning of the unknown. That as "iron sharpeneth iron so a man sharpeneth the countenance of his friend," was the earliest and the greatest discovery ever made in sociology.

If the foregoing account is true to logic and fact, no one of the particular social sciences is the primary science of society, either as an objective or as a subjective explanation.

There remains, however, one further possibility. Admitting that political economy as usually defined and taught is a particular social science, logically an off-shoot of sociology, an objector may claim that we have now an abstract or pure economics, preliminary to "political" or "social" economy, and consisting of theories of subjective utility, cost and value, which, so far from being a part or branch of sociology, is logically antecedent to all branches.

This objection is not only inherently plausible, but it may seem to derive support from the claims already conceded in behalf of subjective interpretations in the social sciences generally. If choices are not capricious are they not governed by considerations of utility, and is not subjective utility therefore antecedent logically and developmentally to society? Would not the individual who lived in contact with nature enjoy subjective utility every time he ate his food or lay in the sun, though there were no society? If so, is not the theory of utility precedent to sociology?

Without entering here upon the discussion of the utilitarian theory of choices I am prepared to deny that, as far as choice is determined by subjective utility, it is evolutionally antecedent to association. It can be shown that, apart from association, there could never have been any such thing



as subjective utility. Therefore there is no independent science of utility. The theory of utility is merely a part of theoretical sociology.

In demonstration of these propositions, the first step is to expose a fallacy of definition. A tendency has crept into recent economic writing to use the term subjective utility as if it meant merely any degree of pleasurable feeling, however slight, and meant nothing whatever in addition to pleasure, or in combination with it. If this usage is not abandoned, economists will soon find themselves involved in hopeless difficulties. The pleasure element in subjective utility must be more than infinitesimal. It must be of sufficient magnitude to have importance for consciousness, and to admit of appreciable distinctions of more and less. Besides, pleasure is not the only element. Subjective utility is pleasurable feeling in combination with knowledge that the pleasure is consequent upon an external condition or thing, namely, an objective utility.\* Unless this intellectual factor is included, the whole theory of utility, which has been constructed with so much labor, falls into ruin, for the theory has always tacitly assumed, as its minor premise, that varying states of feeling are accompanied by some measure of knowledge of the qualitative or quantitative changes in external conditions to which the states of feeling respond.

The next step, therefore, is to show that pleasurable feeling can become voluminous enough to admit of appreciable distinctions of more and less, only under social conditions, and that, in like manner, it is only in social life that the intellectual element can undergo a corresponding evolution.

Let it be supposed that an organism owing nothing to contact or association with its fellows is capable of pleasure and pain. Feeling is none the less dependent on external stimuli. The pleasure of eating is dependent on the objective

\* For the technical distinction between subjective and objective utility the reader is referred to the abstract in Vol. VI, Nos. 1 and 2, of the "Publications of the American Economic Association," of a paper read by the author at the Washington meeting of the Association, in December, 1892.

utility, food. Unless the food is varied and abundant, and unless the activity of the organism in seeking and securing food is varied and strenuous, the capacity for pleasure will remain infinitesimal. What will cause its expansion? The one possible reply is, concourse, suggestion and imitation. The individual left to itself would find little prey and develop little skill in capture. A thousand associated individuals will among them find many kinds and sources of supply, and will hit upon many arts of conquest. Through imitation all will rush for the food discovered by each, and all will acquire the skill of each. Thus, though food is the primary objective utility, the secondary one, without which the first could never have been of more than infinitesimal importance for consciousness, is the suggestive conduct of a fellow-creature.

In suggestion and imitation we have, beyond any doubt, those most primary, most elementary, social facts, for which we have been looking. They are the phenomena that differentiate association, in the true or social sense, from mere physical association or concourse. It is because neither political economy nor politics concerns itself with them that, as was said a few paragraphs back, neither of those sciences explains the human association which both are obliged to assume as a datum. No more profound sociological study has yet appeared than M. Tarde's fascinating volume, "*Les Lois d l'Imitation*,"\* in which imitation is described as the characteristic social bond, antecedent to all mutual aid, division of labor and contract, and is examined in detail, as it appears in the complicated activities of modern civilization.

My immediate contention, however, includes more than this. Not only are suggestion and imitation the primary social facts, they are also, I affirm, among the most elementary phenomena of utility, both objective and subjective. They are precisely the phenomena that raise one factor of subjective utility, namely, pleasurable feeling, to a sufficient magnitude to make it of any importance for consciousness.

\* Paris, 1890.

or for conduct. Consequently, from their very beginnings, pleasurable feeling within and association without are inseparably bound together. Both are antecedent to true subjective utility, to subjective cost and to subjective value. The subjective interpretation of society in terms of these conceptions cannot possibly take us all the way back to social foundations in analysis, or to social beginnings in time. Social evolution is antecedent to all subjective utility. When, in the course of social evolution subjective utility appears, it enters as a new factor into the process, and is thenceforth antecedent to many of the higher or more complicated social developments. These latter, therefore, but these only, admit of the subjective interpretation in terms of utilitarian theory.

How, then, are subjective utility, cost and value, evolved in the social process? The trouble of looking into this question will be well repaid. We shall get not only a better idea of elementary social phenomena, but a far clearer conception of the conditions on which every mode and degree of utility depends.

Pleasurable feeling, we say, is conditioned by the objective utility, food. But what, then, is food? For the animal world it is neither more nor less than a succession of vanquished organisms, which have been engaged, through their little day, in a life and death struggle with other organisms, and have at last met the conqueror that is to devour and assimilate them. Conflict, conquest and death are the preliminary conditions of utility. Life continues but by devouring life, and from this law there is no deliverance. No more in organic than in inorganic nature can we prevent the ceaseless dissipation of energy and integration of matter which constitutes the universal evolution. When masses of matter, whether lifeless or living, in their endless moving to and fro come within range of each other's influence, the less potent is absorbed by the more potent, or the two become united as one.

For conscious creatures success in the struggle means pleasure, but in the struggle itself there are experiences of



pain, weariness, terror, and perhaps even of physical mutilation. These are elements of that subjective cost by which all subjective utility is conditioned.

Now while there is no escape from the universal conflict, and all our pleasure must be bought with pain, it is possible to change the quantities of both pain and pleasure, and to alter their ratio to each other. The highest conscious organism, man, with an enormously greater capacity for pleasure than any rival possesses, subsists mainly on organisms either devoid of sensation, as vegetation, or comparatively low in the animal scale, and he appropriates them with a minimum of effort. Pleasure admits of indefinite increase, pain of indefinite decrease.

But no merely individual effort or experience could achieve these desirable results. They are social products, consequences of social evolution, which become of ever greater importance as social organization becomes more perfect. The social condition on which they depend is next in generality after imitation, and is that which shapes the majority of positive social relations. Pleasure no less than pain is born of conflict, but the progressive evolution of pleasure and its appreciable increase, both absolute and relative, depend on the progressive limitation and regulation of conquest and absorption by toleration and alliance.

In an exhaustive treatise on the forms and limitations of conflict in human society, "*Les Luites entre Sociétés Humaines*,"\* M. J. Novicow has inquired deeply into the mutual reactions of conflict and alliance. He has directed attention to the universality of conflict, and has reminded us that victory always creates subordination, which may vary in degree between the widest extremes. M. Novicow seems not to have perceived the bearing of his observations upon the theory of utility, and he is interested, therefore, chiefly in the relation of conflict and alliance to social grouping. Whatever the degree of subordination resulting from conflict and conquest, some grouping or other is modified.

\* Paris, 1893.

If subordination is not pushed to the point of annihilation and absorption, conquest is limited by alliance, and a new corporate individuality is created. Here is the suggestion of an interesting generalization. The higher types of association come into existence only as a partial subordination displaces that which is total. If the amoeba had always devoured other amoebæ there never would have been poly-cellular organisms. If every horde had massacred all its enemies there never would have been tribe nor city.

This is an important principle in the objective explanation of society. The corresponding subjective principle, which M. Novicow has not formulated, is not of less consequence. Only as the absolute subordination of ruthless conquest is displaced by the mild and partial subordination of alliance, can there be either an absolute or a relative increase of pleasure, progressively and on a large scale. On the other hand, where alliance does limit conquest, as we have now to observe, the absolute and the relative increase of pleasure are assured.

Intermediate between conflict and alliance is a stage that M. Novicow has not mentioned, that of toleration. The struggle for food discloses the fact that creatures of the same kind or species are usually too nearly equal in strength and skill for any large number of them to depend habitually on conquests over their fellows for subsistence. They are forced to tolerate each other and to convert their struggle against one another into a war on lesser creatures.

The necessary consequence is an increase of the pleasure element of subjective utility. No longer warring against each other, their relatively rapid multiplication is assured. They are compelled, therefore, to explore their environment to discover its possibilities and incidentally to perfect their adjustment to a wider range of conditions. Two consequences, among others, follow: First, the larger experience in food-getting and the greater variety of food, make the food supply more certain. The pains of privation will be less often felt. Secondly, beyond certain limits varied food affords more

pleasure, quantity for quantity, than food of one kind. This is merely a corollary of the familiar law of subjective utility, that the pleasure derived from the consumption of successive increments of a given commodity, within the same brief time period, is of decreasing intensity, moving always toward the zero of satiety.

Toleration once established, more positive relations are at any time possible. Besides refraining from aggressions upon one another the individuals of a social group begin to aid each other in active ways. They unite to defend each other against enemies. They co-operate in procuring and preparing food and in finding and making shelter. Antagonism and struggle, first checked by toleration, have now been succeeded by alliance. The possibilities of pleasure are enormously increased, for alliance is an auxiliary objective utility of immense power. It makes possible conquests over nature and lower organisms that would be wholly impossible by individual effort.

It is probable that all modes of alliance begin accidentally and unconsciously. By mere chance, perhaps, simple forms of co-operation are hit upon, and perhaps by natural selection and survival the creatures which thus do aid each other, even without consciously formulated plan, get ahead of others which do not even fortuitously combine.

But by this time conscious planning has become possible. True subjective utility has now at last come into existence, and so has true subjective cost. Pleasure and pain have become sufficient in magnitude to admit of appreciable distinctions of more and less. A great variety of experiences has developed also the intellectual factor, which is pre-eminently a product of social life, for attention, memory and judgment are developed mainly by observation and imitation of fellow creatures. Pleasure, therefore, has become definitely associated in consciousness with the perception of external conditions on which it depends. The feeling and the perception together are subjective utility. Pain has become associated in like manner with a perception of other



external conditions and with a perception of its relation to pleasure. This feeling and these perceptions together are subjective cost.

When subjective utility and subjective cost have become well established phenomena of consciousness, and when intellectual development, consequent upon association, has gone far enough to render possible rather complex comparisons of quantities, another economic idea, that of subjective value, can emerge. By no possibility can it appear sooner. More absurd even than the identification of subjective utility with mere pleasure has been the identification of subjective value with pleasure. Subjective value is a highly complex notion.

Only the briefest account of it can be given here.\* When a variety of objective utilities has been attained, and a range of choice is thereby presented to each individual consciousness, a comparison of utilities with one another, and with their respective costs, is made. Utilities and costs are pictured in imagination before they are actually experienced, and different judgments are formed about them. The effective utilities, in particular, are estimated. By these are meant the relative capabilities of like kinds and quantities of commodity to afford satisfaction under varying conditions of want. The effective utility of a ton of coal is not the same in July as in February. For comparative judgments or estimations of effective utilities we use the term valuations. Subjective value is an estimate of an effective utility that is still prospective. It results from a comparison of different utilities and different costs.

Such are the origins of subjective utility, cost and value. They are social products. We can, if we choose, study them as pure abstractions, ignoring their sociological antecedents. But we cannot set up a pure science of utility and say that it is logically antecedent to a science of society.

\* For the technical presentation of this subject, see an abstract of a paper by the author, read before the American Economic Association at Chautauque, August, 1892. "Publications of the American Economic Association," Vol. VIII, No. 1.

Neither can we hope by studying utility as an abstraction merely, to arrive at particularly fruitful conclusions. Utility no more exists apart from society than vitality apart from living matter. The attempt to study utility independently has been like the attempt of mediæval physiologists to study vitality as a principle or entity.\*

On the other hand, the theory of utility, with its concrete affiliations, is not one of the particular social sciences. It is antecedent to them all. It is not only the basis of modern political economy; long before its economic importance was perceived it was made by Bentham the basis of political theory and of jurisprudence. Just in so far as politics and jurisprudence are analytical and deductive, they derive their principles from the theory of utility.

The theory of utility therefore is not an independent science. It is an integral part of sociology.

Nor can any other science or subdivision of science that concerns itself with social phenomena establish against sociology a better claim to precedence. No investigation within these fields can be more fundamental than a study of conflict and imitation, toleration and alliance, in their relations to utility and value and to each other. Dealing with these subjects, sociology has the best possible right to describe itself as the science of social elements and first principles.

It may be well to indicate briefly how, if this view of sociology is accepted, the sciences of political economy, jurisprudence and politics, at once assume definite relations toward one another as complementary parts of that detailed study of society in its advanced evolution, upon which sociology does not enter.

When alliances and subjective values have emerged in conscious experience, the individual has begun to react purposively upon his environment. But, also, by this time the communication of abstract ideas through speech has begun.

\* For an able defence of a different doctrine from that which I have been presenting in the foregoing pages, the reader should consult "The Failure of Biologic Sociology," by Professor Simon N. Patten in the ANNALS OF THE AMERICAN ACADEMY OF POLITICAL AND SOCIAL SCIENCE, of May, 1894, Vol. IV, p. 919.

The language of imitative signs has developed into conventionalized sounds, conveying thought as well as feeling.\* Ideas and purposes may now be consciously shared by many individuals simultaneously. Knowledge may be communicated to an entire community, and handed down from one generation to another as tradition. The community as a whole may consciously direct its common conduct. It may exercise a common will.

Among the concerns that will engross attention, individual and collective, and which will call forth consciously purposive action, will be, obviously, the objective conditions of utility, as effort and food; the practice and rules of toleration; and the possibilities of alliance on a large scale, with obedience-compelling power, for protection against enemies without and violence within.

It is with these three classes of interests, respectively, that the sciences of political economy, jurisprudence and politics have to do. Political economy ought not to trouble itself about the social and psychical beginnings of utility. The study of these falls within sociology. Political economy should limit itself to a scientific examination of the conscious calculation and pursuit of utility through the development and use of objective means, within the conditions set by social organization. Jurisprudence has no occasion to inquire into the origins of toleration. Sociology will do that. Jurisprudence should study the conscious development and formulation of toleration in custom and positive law, in rights and sanctions. Politics need not go back to the unconscious primitive forms of alliance. Sociology will investigate them. Politics has a field quite large enough in its study of the conscious application of principles of utility and rules of custom to and through alliance, on a large scale, by the general will, and with obedience-compelling power.

In final delimitation of the province of sociology, it is necessary to show its differentiation from psychology. Whatever

\* *Vide* Romanes, "Mental Evolution in Man," Chapters I-IX.



else a society is, it is a phenomenon of conscious association, and the field of sociology is certainly not marked out until we know whether there is any reason in the nature of things for classifying the psychological phenomena of society apart from those of individuals.

Psychology is concerned with associations and dissociations of the elements of conscious personality. How sensations are associated and dissociated in perception; how perceptions are associated and dissociated in imagination and in thought; how thought, feeling and impulse are co-ordinated in that marvelous composite, the individual personality, are problems for psychology to state, and, if it can, to solve. But the phenomena of conscious association do not end with the appearance of individual personality. They are then only engendered. Individual personalities, as units, become the elements of that vastly more extensive and intricate association of man with man and group with group which creates the varied relations of social life. Obviously, the individual and the social phases of consciousness are most intimately blended. The same phenomena, apparently, are the subject-matter of two different sciences.

To some extent undoubtedly they are, and, as every investigator knows, the same thing is true throughout the whole realm of knowledge. But a partial and sufficient distribution can nevertheless be made.

According to accepted views, biology and psychology are studies of life as influenced by environment. In biology we study an adjustment of the physical changes within an organism to external relations that are comparatively few, simple and constant. In psychology we study an adjustment of the conscious changes within an organism to external relations of wide extent in time and space and of the utmost complexity.\*

For a time possibly, at the very dawning of consciousness, the environment of sentience is physical and organic, but not social. At all times, certainly, a great part of the

\* Spencer, "Principles of Psychology," Vol. I, Chap. VII, § 54.

outward world to which consciousness must adapt itself, is physical and organic, rather than social. Moreover, while social conditions are complex and variable, physical conditions, comparatively simple, are constant and universal. It is through contact with them that permanent associations of ideas are established, and that the mind arrives at notions of cosmic law. Psychology, accordingly, deals with phenomena that are, on the whole, more general than the phenomena of society, and it is, therefore, as a science, precedent to sociology.

Yet, sooner or later, social environment becomes the immediate environment, a medium lying between consciousness and external nature. Directly adjustment is to society, indirectly, through society, it is to the wider world beyond. Society has become, in short, a special and most important part of the "outward states." More rapidly and thoroughly than any other part of the environment it produces favorable "inward states" in the associated individuals. It creates the capacity for pleasure, the power of abstract thought and of speech, sympathy and the moral nature. Psychology, therefore, in explaining these developments of mind, must take account of sociological phenomena.\* But its direct concern is with mental development as such; it studies society only as milieu, whereas sociology, on the contrary, is interested in the development of mind as a product of social activity, as a social function, and as an evolution of social nature.

But now at length mind, social nature, begins to react on society. Conscious that their social relations are their most important means of defence, succor, pleasure and development, individuals endeavor to conserve and perfect them. Society becomes a consciously cherished thing, and to an increasing extent a product of conscious planning. Out of thoughts and feelings grow those forms of association

\* George Henry Lewes claimed to be the first psychologist distinctly to recognize and state the part played by the social factor in the evolution of intellect and conscience. See "Problems of Life and Mind," First Series, Vol. I, p. 142, and "The Study of Psychology," p. 71.

that are deliberate or of purpose. More and more, therefore, social activities and relations come to be outward products of inward states.

It is here that we find the broad distinction that, for purposes of scientific investigation, and therefore for a classification of the sciences, we should observe between a study of conscious phenomena that is properly psychological and one that is properly sociological. In both biology and psychology we regard phenomena within the organism as effects, and relations in the environment as causes. The moment we turn to social phenomena we discover that activities within the organism have become conspicuous as causes. They have created a wonderful structure of external relationships, and have even modified the fauna and flora and the surface of the earth within their environment. The progressive adjustment between internal and external relations has become reciprocal. Psychology therefore is the science of mental phenomena as caused, partly by society but largely also by organic and physical relations. Philosophically speaking it is a highly special, differentiated branch of biology. Sociology, in like manner is a special, differentiated branch of psychology. It is the science of mental phenomena as a social product and function, and as a cause reacting on the outer world through its constructive evolution of the social medium.



## CHAPTER III.

### THE PROBLEMS OF SOCIOLOGY.

We have now to inquire just what particular investigations or problems the student will have to take up as work of detail in sociology if he accepts that conception of the science which has been explained and defended in the foregoing pages. From the mere fact that we can mark the boundaries of sociology so as to distinguish it from other departments of scientific inquiry, it does not follow, necessarily, that within the territory so inclosed we shall find that multitude of logically related subjects of research which make up the content of a complete science. Are the social elements and first principles numerous and intellectually fruitful? Are our would-be inquiries about them tangible, and of the manageable kind?

Any fear that the detail of sociology is either intangible or unmanageable will disappear on examination. Our problems are perfectly definite. Our facts and inquiries are innumerable, they admit of close classification, and a scientific investigation of them will be rewarded with large additions to knowledge.

In sociology, as in psychology and biology, it is impossible to study with profit the general questions of law and cause until we have learned much about the concrete and particular aspects of our subject. Before we generalize we must be familiar with the constituent elements of our phenomena, with the manner of their action, with the forms that they assume in combination, and with the conditions under which the combinations occur. It is good scientific method, therefore, to group our problems as primary and secondary. In the one group we put the questions about social elements, growth and structure; in the other we put the problems of social process, law and cause.

In the primary group there are first of all problems of the social population. These include problems (1) of aggregation, (2) of association, (3) of the social character of the population, (4) of the classes into which population differentiates, and (5) of its co-operative activity or mutual aid.

Conflict modified by toleration and the consequent emergence of utility, presuppose an actual coming together of the individual elements of a social aggregate. So far from being a simple phenomenon, however, concourse depends very strictly upon definite conditions, and it assumes a variety of forms, which are related to each other in curious and intimate ways that are of great significance for social theory. Concourse runs into intercourse, the chief aspect of which is the interchange of thought and feeling by means of language, and the chief consequence of which is the evolution of a nature that is intellectually and morally fitted for social life. The development is very unequally accomplished in different individuals, and we get, accordingly, a number of classes in the population. These are, namely, the productive, including directing and directed workers, and the unproductive, including paupers and criminals. We get also, very unequal capabilities for mutual aid.

Thus the influences that determine the aggregation and the intermingling of population-elements, their mutual modification and resulting characteristics, their differentiation and their co-operative activities, present many interesting points for study, on their own account, and in their relation to other features of the social system.

Next in order come problems of the social consciousness, or social mind, including its content of common memories and ideas, its aspirations and volition. The sociologist will not follow these into the details of archæology, mythology and comparative religion, nor into those of law and institutions, in all of which the social mind finds expression. But he should understand the make-up, genesis and activity of the social mind itself.

Following these, finally, are problems of the social structure. In the various attempts that have been made to organize a systematic sociology, the problems of social structure, or organization, have received the larger share of attention. There are several ambitious works that deal with little else. Much, however, remains to be done, not only in minute examination, but in the broader grouping of parts. Many writers mean by social structure the ethnographic grouping of population into tribes and nations. Others understand by the term the organization of State and church and the innumerable minor associations for particular purposes. Both views are right, within their range, but neither is complete. Social structure includes both ethnographic grouping and purposive organization. What, then, is the essential difference between them; and does the one in any way limit or determine the other?

The answer is that the social mind, acting upon spontaneous, unconscious, or accidental combinations of individuals, evolves two different forms of alliance, which may be called, respectively, the social composition and the social constitution.

By social composition is to be understood a combination of small groups into a larger aggregate, where each of the smaller groups is so far complete as a social organism that, if necessary, it could lead an independent life for a time. Family, clan, tribe and folk, or family, township, commonwealth and nation, are names that stand for both elements and stages in social composition.

By social constitution, on the other hand, is to be understood a differentiation of the social aggregate into mutually dependent classes or organizations, among which there is a division of labor.

The social composition is like the composition of living cells into a large organism. The social constitution is like the differentiation of an organism into specialized tissues and organs.

Aggregation, association, and resulting changes in the character and activity of the population, are the first stage



in a synthesis of social phenomena. The evolution of the social mind is the second stage. The third and fourth stages are the social composition and the social constitution, respectively.

Roughly corresponding to the four stages of synthesis are four stages of sequence.

Most of the forms of concourse, intercourse and mutual aid have their beginnings in animal society. By means of them animal life is developed into its various types. This stage, therefore, may be characterized as zoogenic, and the study of it, as exhibited in animal communities, is zoogenic sociology.

The development of the social mind as self-conscious, and the genesis of a varied tradition, mark the transition from animal to man. It is the anthropogenic stage of association, and its investigation is anthropogenic sociology.

The social mind acting on spontaneous forms of alliance creates the family, the clan and the tribe, later the folk and the nation. This is the ethnogenic stage, and to it corresponds ethnogenic sociology.

Finally, the integration of tribes and petty nations into territorial and national States makes possible a high utilization of resources, a rapid multiplication of population, a wonderful extension of the division of labor, a magnificent development of the social constitution and a democratic evolution of the social mind. This, then, is the demogenic stage of social evolution and its study is demogenic sociology.

Such are the primary sociological problems, which must be thoroughly worked over before the secondary problems, more complex, and in every respect more difficult, can be mastered. Yet the secondary problems have more often than otherwise been attacked first, without the slightest perception of their scientific relation to the sort of inquiries that have just now been outlined. They are more momentous, and involve a relatively large proportion of pure theory. On this account, perhaps, they have received the larger share of attention.

First among them are problems of progress. A survey of social growth and structure will probably have convinced the investigator who has completed it of the reality of social evolution. But whether evolution is in any sense a progress, and, if it is, then in what sense, are questions remaining to be answered. The idea of progress has to be examined. What does the word legitimately mean? If it has a rational meaning, are there any facts and generalizations, disclosed by sociology, that correspond to the idea? If this question, again, is affirmatively answered, we must go on to look into the nature of progress. Can we resolve it into simpler terms and, in so far, explain it?

If in the course of such inquiries we are led to affirm the reality of progress, we shall inevitably find that it involves some continuing change in the magnitude of the psychical factor in society, and of its relative importance, as compared with the physical factor, in the forward social movement. We shall find ourselves, accordingly, obliged next to examine the social process. By this term we must be careful to understand not the successive phases of social growth or evolution, which present primary problems of sociology, but rather the process itself, from which the phases of evolution result. The problems of social process are concerned with successive steps in the interaction of physical and conscious forces. They involve a study of the nature and forms of volitional association, and of its reactions upon social character and activity.

Obviously the sociologist has come by this time to problems of law and cause. The question over which controversy has so long been waged, whether there are any true natural or cosmic laws of social phenomena, cannot be avoided, but it is not to be answered by mere argument about the possibility or impossibility of law in the world of conscious human affairs. It must be met by showing that social laws exist, and by demonstrating their operation. The law of social choices which, I have claimed, is one of the sociologist's main quests, must be formulated, and likewise

the law of social survivals. When this has been done, attention must be given to the further questions of cause. Volition having been recognized as one cause of social changes, the sociologist must decide whether he should regard it as an independent, original cause, or as secondary and derived. He must decide, further, whether or not he finds in physical nature the sole original source of social energy.

After all these studies have been made, and not before, will the sociologist be qualified to deal with those final questions that have been placed so often at the very beginning of sociological exposition. What is a society? Is it an organism? Or is it organic and something more? Is it essentially a physical thing, or is it a complex of psychical relations? Has it a function or purpose, has it an intelligible destiny or end? In answers to questions like these, if answers can be made that will carry weight because derived from a patient examination of all the data and of all possible hypotheses, will be found the true scientific conception of society and, as well, the rational social ideal.



## CHAPTER IV.

### THE PRIMARY PROBLEMS: SOCIAL GROWTH AND STRUCTURE.

Within that broad grouping of animal species, which is known as geographical distribution, there is a minor grouping of animals into swarms, herds or bands, and of human population into hordes, clans, tribes and nations. It is to such comparatively definite groups that we apply the term society or the term community.

That animals generally as well as men do thus live in aggregations, rather than in separation as isolated individuals or as simple families, may be a consequence of either of two circumstances, or of both together. The band or horde may be made up of those descendants of a single individual, pair, or family, which have not yet separated. Or it may have assembled from many quarters near and far, an aggregation at first of strangers, drawn or driven together by some powerful attraction or pressure. For many centuries the first of these two possibilities found expression in political philosophy in the patriarchal theory. The second might have been made the basis of the doctrine of the social contract, but was not. Neither Hobbes, nor Locke, nor Rousseau seems to have doubted that the "state of nature" in which men were presumed to have lived before political covenants were thought of, was an abiding in propinquity, though not in love, of the descendants of a first father. Nor has social theory in later years been much disposed to question the sufficiency of a genealogical explanation of social origins. This is not remarkable. The tribes and nations of men have commonly accounted for their own beginnings in that way. The myth of the ancient omnipresence of the patriarchal family has been dissolved, to be sure, by the discoveries of Bachofen, Morgan, McLennan and others, but for the purposes of a genealogical account of society, a first ancestress, or a feminine clan, is quite as good as a first father.

Yet the sociologist has but to look about him to see that a community often begins as an aggregation of strangers. The commonwealth of California, for example, does not revere a progenitor, male or female. It has been too hastily assumed that the sort of social genesis which has been witnessed in our Western States since the first great waves of migration swept over the Alleghanies, and been witnessed later in the European colonies of Africa and Australia, is something peculiarly modern. Probably it is on the contrary more ancient than man himself, for it is certainly not peculiar to human communities in contrast to animal bands. The forces that distributed a white population over the Mississippi valley were essentially the same that had been at work for unnumbered ages upon the teeming animal life of its mighty forests and prairies. The pioneer hunters found broad roads through the wilderness, worn by countless generations of bison. At the salt licks they saw the ground about them so trodden by herds of bison, elk, deer and wolves, that "there was not as much grass left as would feed a sheep," and "the game trails were like streets or the beaten roads round a city."\* They observed the black and gray squirrels gathering in immense companies to migrate over mountain and river, and saw clouds of pigeons "that hid the sun and broke down the branches on their roosting grounds as if a whirlwind had passed."†

External physical conditions were the causes of social aggregation in these instances, as in the European settlement of this continent. Nor is there reason to doubt that they have been original causes of aggregation since conscious life began in the world. Both animals and men, whether kindred or strangers at the outset, come together and dwell together where the food supply exists. Other physical circumstances of the environment, as temperature and exposure, surface and altitude, always exert an influence not to be overlooked. In that swarming of men westward

\* Theodore Roosevelt, "The Winning of the West," Vol. I, p. 156.

† *Ibid.* p. 123.

which has borne the centre of population from a point east of Baltimore in 1790 to a point midway between Cincinnati and Indianapolis in 1890 there has been no indiscriminate scattering. Certain centres of attraction have dominated the movement. On a magnificent scale it has but repeated what occurred in the Nile valley and in Babylonia at the dawning of civilization. What occurred there, again, was but a refined form of such human concourse as the traveler witnesses in northwestern Australia when a dead whale is cast upon the sea shore and signal fires bring together from every direction the half-starved bands for an unwonted feast.\* Finally, the savage congregation, in its turn, has its prototype in the formation of enormous bands of sea creatures, like polycistines, medusas, ctenophores, nautili and molluscs, by the temperature of the water, the direction of the currents, and the abundance of their aliments.†

That the resources and other circumstances of the physical environment must be regarded as the true cause of social aggregation, notwithstanding the scientific place so long held by genealogical relationship, is plainly shown by a single consideration. A bountiful environment may bring together entire strangers or it may hold together a body of kinsmen; but no body of kinsmen, however strong the ties of relationship may be, can hold together and grow into a society, if the physical environment is unfavorable.

The subject may be presented now in another light. An assembling of individuals without regard to blood-relationship, and on account of some pressure or advantage, we may call congregate association. The association of descendants of a single ancestor or family may be called genetic association. Using these convenient terms, we can state without further preliminary an elementary inductive truth of sociology, namely: congregate and genetic association must develop together. Neither form can long be maintained without running into the other.

\* Grey, "Explorations in Western and Northwestern Australia," p. 263.

† Espinas, "*Des Sociétés Animales*," p. 461.



Let aggregation have begun in either way, as a concourse of individuals originally strangers, or by the multiplication of descendants of a single family. The energy evolved within the group from its consumption of food will be expended in three chief ways, namely: maintaining the food supply, locomotion, and procreation. The latter two expenditures depend on a surplus of energy above the amount necessary to maintain individual life in a given place. Movement limits association by dispersion and variation. Individuals, families or bands detach themselves from the parent group and form new alliances. The student of sociology should get a firm grasp of this fact, that detachment and migration are as common and as inevitable effects of an increase of animal energy in social groups as are procreation and the increase of numbers. Every group, therefore, loses members that were born within it, and acquires members that were born elsewhere. At the same time, every group that is more than a very brief congregation and in which both sexes are included, is perpetuated in part by its birth-rate. Normally, therefore, a social aggregation is a product of both congregate and genetic association.

We are in sight now of a true conception of natural society. An enlarged family, including no adopted members, is not properly to be called a society. Neither is a temporary association of unrelated individuals. In the true society we may expect to find always a composition of the population, and, at the same time, a self-perpetuating power. The United States has received since 1820, 15,427,657 immigrants, drawn hither from England, Ireland, Scotland, Germany, Norway and Sweden, Italy and other countries, by the life-opportunities that are here offered. The resulting heterogeneity of population is a conspicuous example of what I would call the demotic composition. The same phenomenon of intermixture, though on a smaller scale, has entered into the evolution of every society that has existed. Such a thing as a purely homogeneous population was never known. And yet, by far the larger proportion of our

63,000,000 persons have been born within our territorial limits. By far the greater proportion of them have in their veins some admixture, at least, of the blood of the colonists and of those Europeans who came to America before 1821. In like manner, while there is an increasing mobility of population from State to State, from country to city and from town to town, each local community is perpetuated mainly by its own birth-rate. The same thing is true of other countries. It is true of barbarous and savage tribes and of animal herds. Such self-perpetuation of a society we may call autogeny. A true natural society then has a demotic composition, but it is at the same time autogenous.

So much for the conditions and forms of social aggregation. True association, I have argued, is something more. It is a psychical activity, beginning in suggestion and imitation and developing into mutual sympathy and comprehension. These latter, obviously, could not grow out of anything so purely negative as that self-limitation of conflict which brings about a state of toleration. Neither do they emerge necessarily from mere aggregation. Their beginnings must be sought in relations of activity that are characteristically social and yet so pleasurable that a powerful stimulation of purely individual gratifications would be necessary to overcome the counter attraction of the social excitement.

It is in activities hitherto but little studied that the genesis of social pleasure, and, through social pleasure, of the higher forms of association, is to be understood. When the group, however it has originated, holds together for successive generations, the modes of expenditure of energy are multiplied. In both adults and young, but to a much greater extent in the young, expenditure takes the form of play. Festivity, or the combination of amusement with the gratification of appetite, comes later, and is perhaps enjoyed more often by adults. In play and festivity, which are at first the spontaneous overflow of surplus energies, there come into existence true social forces, products of a social condition,

which, in turn, contribute to the evolution of a higher social condition; which are powerful enough to mould individual nature; which begin to operate on the individual at the most impressionable age, and which continue to act long enough to accomplish permanent results. Play has been the chief educational agency in animal communities. Young birds born and reared within each other's sight and hearing, and many kinds of young mammals, spend literally all their days until maturity in ceaseless frolics, often so ingenious in their forms as to captivate the human beholder. It is in these social pleasures that the social instinct is strengthened, and that the art of living in community is acquired. In like manner, among human beings, it is in the play-day of childhood that social sympathy, a social sense, a social habit, are evolved. Later, periodical festivities and more or less elaborate amusements become important supplementary means of social education. Take out of savage life its feasts and dances, and the remaining social activity would be slight indeed. Our Western settlements became communities when they began to fiddle.\* If the heterogeneous masses of population in the tenement house wards of our great cities are ever socially organized, it will be after they have been brought under the power of social pleasure.

Festivity was probably the parent of speech,† as at a later time it was the parent of literature. The most constant elements of festal celebrations are bodily play movements in imitation of actions, rhythmic beating, and some approach to song. Under the mental exaltation of such occasions,

\* "A few of the settlers still kept some of the Presbyterian austerity of character as regards amusements; but, as a rule, they were fond of horse-racing, drinking, dancing and fiddling. The corn-shuckings, flax-pullings, log-rollings (when the felled timber was rolled off the clearings), house-raising, maple-sugar-boilings, and the like were scenes of boisterous and light-hearted merriment, to which the whole neighborhood came, for it was accounted an insult if a man was not asked in to help on such occasions, and none but a base churl would refuse his assistance. The backwoods people had to front peril and hardship without stint, and they loved for the moment to leap out of the bounds of their narrow lives and taste the coarse pleasures that are always dear to a strong, simple and primitive race."—Roosevelt, "The Winning of the West," Vol. I, p. 176.

† J. Donovan, "The Festal Origin of Human Speech," *Mind*, October, 1891, p. 499.



if ever, the association of vocal sounds with actions and things would be established and conventionalized into signs, thereby making possible the perfect communication of thought and feeling through which the higher modes of association are maintained.

Social pleasure, then, is the foundation of association in its higher forms, and association, with the aid of the stimulus pleasure, acts on the mental and moral natures of individuals, moulding them into a more perfect adaptation to social life. The social nature regarded as a product of past association and as a cause working in the further development of society should be studied by the sociologist with reference to the following essential traits:

The true social nature is first of all one that has become so far susceptible to suggestion and so far imitative in respect of all matters of material well-being (in which, as was shown in a previous chapter, suggestion and imitation first come into effect) that it will desire and endeavor to live as well, at least, as the average, fairly successful, fairly well-to-do members of the community. The desire to enjoy what others enjoy, and the imitative tendency to act as others act, will together be strong enough to overcome laziness, as much, at least, as it is overcome in the average case, and will lead the individual whose nature is social to follow up his material interest as diligently as most other individuals follow up their interests. This is the basis of what economists call a standard of living. It is the foundation of wealth and of all social as of all individual advancement.

A second trait of the social nature, of course, is a sufficient degree of that tolerance, of which so much has been said already, to restrain the individual from active interference with his fellows in their life-struggle. It is only after the practice of toleration has become confirmed and certain corresponding tastes have been established, that the tolerant nature can be said to exist. The members of the community must have gotten beyond the first discovery that, after the exceptionally weak have been killed off by the strong,

and the exceptionally strong killed off by their own rashness or by a mutual resistance of individuals of average power, further conflict, among individuals nearly equal in strength, is useless. They must have lost the appetite for each other's flesh, and have become satisfied with kinds of food and other material means of life that are sufficiently abundant to meet the requirements of the whole society. Antagonism within the community can disappear only as fast as tastes that are exclusive make way for tastes that can be enjoyed by many, a truth which the sociologist can cordially recommend to those social reformers who expect to make the world better by rearrangements of industry irrespective of human desires. Still other changes in consciousness are necessary before the tolerant nature is perfect. Toleration must be not only endurable but agreeable. There must be a growth of association of presence as an habitual phase of feeling. There must be a feeling of pleasure in the mere presence of a fellow-creature.

Remaining traits of the social nature, quite as essential to social as to individual conduct of an advanced type, are the intellectual powers of attention, generalization, abstract thought and invention, and the moral qualities of love of approbation, sympathy, fortitude, courage, truthfulness and good faith. I shall not take the space here to demonstrate the social origin, or to point out the social functions, of all these qualities and powers. Spencer, in Part VIII, of the "Principles of Psychology," and Lewes in his "Problems of Life and Mind," have presented such demonstrations at length, but no one has ever gone more directly to the heart of the matter than Adam Smith in "The Theory of Moral Sentiments." "As nature teaches the spectators to assume the circumstances of the person principally concerned," wrote Smith, "so she teaches this last in some measure to assume those of the spectators." On these two efforts (that of the spectators to enter into the feelings of the principal and that of the principal to enter into the feelings of the spectators) are founded two sets of virtues, one the soft,

gentle and humane, the other the great, the awful, the respectable—virtues of self-denial and self-government.\*

The mental and moral results of association, and certain physical changes which result from social conditions and contribute to social success, are by no means shared equally, however, by all individuals. It is impossible that all should participate equally in improved nutrition, or that all should have an equally good heredity. The processes of selection go on by reason of these differences. Quite as impossible is it that all should share equally in the mental growth and moral modification that takes place. Inequality, therefore, in physical, mental and moral power, and varieties of disposition, are among the inevitable characteristics of a social population.

All such inequalities and variations will be manifested in the relations which the unequally endowed individuals of the same aggregation will maintain toward the facts of subsistence and toward each other. In the same group there will be different standards of living, different degrees of toleration and of mutual good-will, different degrees of ability and, corresponding to these things, different types of character. Individuals of the true social type will exhibit the sort of desires and dispositions that are compatible with an expanding social life; that is to say, a taste for easily appropriable food, a disposition to seek it with system and diligence, and tolerant and sympathetic feelings. They will have also the physical, intellectual and moral ability to live as their social nature prompts. The other types, lacking in some or all of these endowments, will be more or less antisocial, unsocial or defectively social. The social type depends necessarily and naturally upon the original and inexhaustible source of subsistence, namely, the vegetable and animal life of other species. The antisocial and unsocial types are criminal and pauper respectively. By means of theft and beggary they depend on secondary sources of subsistence, namely, the supplies obtained from nature, through

\* "The Theory of Moral Sentiments." Third edition, pp. 26 and 32.



diligent industry, by the social part of the population. The defectively social type has the social disposition in a measure, or perhaps in a high degree, but it lacks ability. It would be glad to adapt itself to social conditions, but never fully succeeds in doing so. Accordingly this type, too, is partly or wholly dependent on the secondary sources of subsistence.

Out of these types are developed great population-classes as soon as the secondary source of subsistence is sufficient and permanent, in other words, as soon as the society has surplus food and clothing—in brief, wealth. Animal societies have criminal members. They have also their pauper individuals, following the band in its food quests, but living on the fragments and leavings of the prey or vegetation that the stronger majority capture or discover; but they have no pauper class, as human societies have, because surplus food in the former is too inadequate in amount and the conditions of life in general are too severe for pauper endurance.

As social aggregation begins where natural supplies of food are found, so criminal and pauper aggregation begin and continue where the artificial surplus supply is accumulated. I have already illustrated several phases of social genesis by examples drawn from the settlement of the Western States, and I may as well illustrate this one by another. "The frontier," says Roosevelt, "in spite of the outward uniformity of means and manners is pre-eminently the place of sharp contrasts. The two extremes of society, the strongest, best and most adventurous, and the weakest, most shiftless and vicious, are those which seem naturally to drift to the border. Most of the men who came to the backwoods to hew out homes and rear families were stern, manly and honest; but there was also a large influx of people drawn from the worst immigrants that perhaps ever were brought to America—the mass of convict servants, redemptioners and the like, who formed such an excessively undesirable substratum to the otherwise excellent population of the tide-water regions in Virginia and the Carolinas.

Many of the Southern crackers or poor whites spring from this class, which also in the backwoods gave birth to generations of violent and hardened criminals, and to an even greater number of shiftless, lazy, cowardly cumberers of the earth's surface. They had in many places a permanently bad effect upon the tone of the whole community.

. . . . In the backwoods the lawless led lives of abandoned wickedness; they hated good for good's sake, and did their utmost to destroy it. Where the bad element was large, gangs of horse thieves, highwaymen and other criminals often united with the uncontrollable young men of vicious tastes who were given to gambling, fighting and the like. They then formed half-secret organizations, often of great extent and with wide ramifications, and if they could control a community they established a reign of terror, driving out both ministers and magistrates, and killing without scruple those who interfered with them." \*

At the present time the great centres of secondary sources of subsistence are the cities, and it is there that the aggregation of pauper and criminal population is going on most rapidly. From the city of New York there were convicted in the courts during the year ending October 31, 1892, no less than 45,777 criminals and misdemeanants. The same city, with a population, in 1890, of 1,515,301 (as given by the Federal census), relieved in that year through its municipal outdoor poor department, not to mention private charity, 25,212 adults and 1324 children, and provided 8340 families with coal. The same department buried 2042 paupers. The almshouse at Blackwells' island in the course of the year cared for 5337 indoor paupers.

Not all the people relieved by charity in our modern cities and elsewhere are paupers, however. Many of them belong in a third class, developed, with increasing wealth to support it, and an increasing population to recruit it, out of the third type that was mentioned, namely, the defectively social. In animal communities and in a primitive state of human

\* Roosevelt, "The Winning of the West," pp. 130-131.

society, the well-meaning but unsuccessful fare no better than the would-be paupers. In modern society they can survive and increase because of an abundance which they can share. Like paupers and criminals, therefore, they naturally congregate in great cities. Their defects are of every imaginable kind, physical, mental and moral, but they may be roughly grouped into three sub-classes, namely: First, those whose ancestors came so little under the discipline of social life, and who themselves have had so little opportunity, that they are nearly destitute of natural or acquired ability to look after their own well-being. They are willing to work, but must always be aided. Second, those who get on fairly well until displaced by some evolutionary change in the social system, but find themselves quite witless and powerless to adapt themselves to a new order of things. Third, those who are unable to endure the strain of emulation to maintain a high standard of living, and, in one or another way, drop out of the contest.

In the study of the genesis of the population-classes we have the key to the scientific arrangement of those most interesting questions that are often spoken of as the problems of practical sociology. Just how the study of crime, pauperism and vice, of poverty, insanity and suicide, could be connected in any logical way with the propositions of theoretical sociology, has been a puzzling question to many students, and sociological writers generally have fallen back upon the familiar expedient of dividing their subject into theoretical and practical, or theoretical and applied, or the science and the art. I confess that I have never had much respect for this expedient. It is the easy device of incomplete or baffled thinking. Some of the facts that a science deals with are more practical than others because our daily lives are in more immediate contact with them; but as knowable facts they admit of explanation; the explanation is a theory, and if we do not see it to be a co-ordinate part of the larger theory of our subject in its entirety, the reason



is that we have not yet fully worked out the logical subordination of its particular theorems. More adequate views of the great issues of practical sociology may be looked for if we can effect a scientific arrangement of the problems. If association necessarily modifies the physical, mental and moral nature, but not in all individuals equally, and if unequal degrees of adjustment to the social conditions of life are therefore inevitable, we have an explanation of the differentiation of the population into classes, with fairly well-marked differences of physical, economic and moral condition. Therefore it may be that in a true theory of social evolution we shall yet find an interpretation that will create a scientific order in the maze of facts of practical sociology.

The criminal, pauper, and non-successful classes that live on the surplus wealth of society, but contribute nothing to it, are collectively an unproductive class. The classes that create wealth directly from nature, and those that, engaged in commercial or professional occupations, draw their subsistence from secondary rather than from primary sources, but add to the wealth of society as much as they take from it, are collectively the productive class. This industrious, self-supporting majority undergoes a further differentiation. Many individuals remain merely passive and tolerant in their relations to each other. They look after their own affairs and attempt nothing more. Others become increasingly conscious of the power that there is in association and develop positive ability for mutual aid or co-operation. Mutual aid at first, whether in animal or in human communities, is an extremely simple and momentary direct-co-operation\* of which the fishing bands of pelicans that form a half circle across a bay and drive the fish in-shore, the hunting parties of savages, and the log-rollings, house-raising and corn-huskings of backwoodsmen are equally good examples. Such co-operation becomes in time more perfect through a development of

\* For the most interesting contribution to animal sociology ever written, the reader is referred to Prince Krapotkin's articles on "Mutual Aid Among Animals," in the *Nineteenth Century* of September and November, 1896.

co-ordination and subordination. Co-ordination at first is merely the simultaneous performance of like acts in like ways. Like creatures similarly placed are affected by common experiences in like manner and respond in like action. There may be a good degree of harmonious action due to this wholly unconscious co-ordination. A more definite and conscious co-ordination is effected through emulation and imitation. But the co-ordination that admits of a relatively wide extension, under a great variety of forms, is that through leadership, which involves also subordination. The mental and physical inequality already described as the basis of population-classes is the basis also of this form of co-ordination. The inferior naturally defer to the superior, follow their guidance and confer upon them special favors.

The phenomena so far examined in this chapter have been phenomena of the social population. We will go on now to the phenomena of the social mind, the appearance of which is the second great stage in social evolution.

The society in which there is much intercourse and mutual aid presently enters upon a further development which establishes its unity and enables it in a measure to shape its own career. It becomes conscious of itself as a society. A common or group consciousness is evolved. An example of the simplest case in which this phenomenon appears is perhaps the behavior of an animal community when a stranger is introduced into the band. Whether his treatment be good or ill, it is such as to show that the members of the society are well aware that he has not been one of their number.

Social consciousness may have the various phases exhibited by the individual consciousness, ranging from reflex action and common feeling to a reasoned judgment.\* It is doubtful if animal societies ever attain to self-consciousness. By social consciousness in any form we do not mean a consciousness distinct from that which appears in individuals, except in so

\* For a full discussion of this subject, see De Greef, "*Introduction à la Sociologie*," deuxième partie, Chapters I and XIII.

far as it appears at the same moment in all individuals, or is propagated from one to another through the whole assembly. Acted on by influences that affect all its members in the same way, and under proper stimulation, a whole social group may perform a purely reflex act. Again, a wave of feeling may sweep through the community; or yet again, perceiving the same facts, feeling about them in the same way, and each observing in all his fellows the same outward signs of identical inward states, all the members of a community may come simultaneously to the same judgment. It must be by some such process that bands of hundreds, or perhaps thousands of individual birds, or squirrels, or buffaloes, or horses come together and conduct an orderly migration. In a true social self-consciousness, which probably does not appear earlier than the ethnogenic stage of the evolution of human society, the distinctive peculiarity is that each individual makes his neighbor's consciousness, feeling or judgment an object of his own thought at the same instant that he makes his own feeling or thought such an object, judges the two to be identical, and then acts with a full consciousness that his fellows have come to like conclusions and will act in like ways.

In its social consciousness a community has a living bond of union. The mutual aid and protection of individuals, operating in an unconscious way, are no longer the only means that preserve social cohesion: the community feels and perceives its unity. This feeling must be destroyed before rupture can occur.

But even social consciousness is of course at any instant but a momentary bond. In this respect it is inferior to the bond of mutual aid. It acquires continuity, however, through the development of another phase—the social tradition which, with the active modes of consciousness, makes up the social mind. By tradition results are conserved and handed on. The relations, the ideas and the usages that have sprung up, perhaps accidentally and unconsciously, and have survived thus far because of their intrinsic



usefulness, are carefully formulated, defined and memorized. They become the common mental possession of all individuals.

Tradition differentiates into three great primary forms, namely, the economic, the jural and the political, and from these branch off, later, secondary forms.

The earliest and most fundamental is the tradition of subjective and objective utilities, of costs and values, and of the methods of increasing utilities. There is, of course, no conscious analysis of these things. The tradition is concrete, not abstract. But in the concrete there is a scale of comparative values. Food, shelter, sexual pleasure, ornaments, offspring, are its earliest elements. Then come such things as implements, clothing, gifts, trade, labor, co-operation, methods of producing and using objective utilities. All this tradition has its centre in the family and household, but it extends to relations beyond the household.

Step by step with the utilitarian tradition develops the tradition of toleration.

Toleration and friendly social intercourse are at all times balanced by frequent acts of aggression and revenge within the community. It is by these means that the substantial equilibrium of strength among the individual members of a society is maintained and demonstrated. So aided by intercourse and sanctioned by vengeance, toleration is developed and differentiated into rules of custom which formulate those enjoyments, immunities and opportunities that are habitually permitted and observed without molestation. These collectively are the jural tradition, the tradition, that is, of objective and sanctioned right.

The third differentiation of tradition is the tradition of alliance in its political form.

Alliance as a fact simply presupposes some of the elements of subjective utility and some actual toleration. On the other hand, the traditions of utility and of toleration, as distinguished from their respective phenomena, presuppose actual alliance in simple and perhaps unconscious forms.

But again, the conscious and purposive development of alliance within the community, or its extension, to bring two or more bands, hordes, or tribes into one larger aggregate, presupposes traditions of utility and of toleration.

Alliance in either of these purposive forms, intensive or extensive, is the elementary political fact. It is the germ of all political activity and tradition. Its motive is the desire to strengthen the traditions of utility and of toleration by an obedience-compelling power, and to extend their range or application. The political tradition, therefore, is wrought out of the economic and jural traditions, and in its evolution is closely interwoven with them.

The economic, jural and political traditions are the fundamental and imperative ones. Surplus objective utility, or wealth, when it begins to appear as a consequence of alliance, becomes an efficient cause of new modes of activity, which are conserved in a number of secondary traditions. Strictly speaking all of these activities are differentiations of fundamental utilitarian actions, and the secondary traditions grow out of the primary traditions.

First, out of the activities directly related to the satisfactions of the most elementary wants, of food, sexual pleasure and clothing, grow attempts to adorn, and, with them, the æsthetic tradition. Its chief roots are doubtless in the sexual instincts, as Darwin argues, and the tradition is developed through sexual selection.

Secondly, out of the social pleasures and festivities grow the impulse and the need to express and interchange emotions and ideas. The traditions of spoken and of written language result.

Thirdly, the close observation and interrogation of the natural and animate world, which is stimulated by the quest of food, suggest many crude interpretations of natural phenomena, and these are believed to be intimately connected with success or failure in the practical affairs of life. The world is thought to be peopled with mysterious spirits. The knowledge of these is cherished. [Appealed to for aid in

human affairs, some spirits seem to help, others to be indifferent, or hostile. Through selection the tradition of the friendly spirits becomes more firmly fixed. The alliance which holds together the family, or that which holds together the community is extended by covenant to ally the good spirits to the family or to the community. They become its most important members, its gods. In this way the traditions of animism and of religion are established.

Fourthly, as knowledge increases, the beliefs of earlier times are subjected to rational criticism. The tradition of science and philosophy displaces the tradition of animism, and religion is transformed.

Fifthly, philosophy transforms the ideals and standards of life and conduct, and we get the tradition of ethics.

It is only in a very general way, of course, that the development of tradition corresponds to this serial order. The different modes of tradition act and react on one another. Long before the economic tradition is developed beyond its crude beginnings, the philosophical and ethical traditions, not to mention intermediate ones, must have come into existence.

Of the problems of social structure, properly so-called, or the questions pertaining to social composition and social constitution, I purpose to say but little in these pages. They have been more adequately treated in existing works on sociology than have been some of the other topics that I have here discussed. Moreover, I expect in a larger work to give them full consideration. All that I wish to do now is to emphasize the assertion that, though social composition and constitution have beginnings in unconscious processes of social evolution, they are, properly speaking, creations of the social mind.

Human society truly begins when social consciousness and tradition are so far developed that all social relations exist not only objectively, as physical facts of association, but subjectively also, in the thought, feeling and purpose of the associated individuals. It is this subjective fact that differentiates human from animal communities. For when the



society exists in idea, no less than in physical aggregation, the idea begins to react upon all the objective relations. The social idea, at first only a perception or a conception, becomes an ideal, which the community endeavors to realize. From this time on, the forms of association and of associated activity, determined in part by direct physical causation, are determined also in part by the social mind.

In the earliest and simplest forms of human society the social constitution is not differentiated from the social composition. The group, as a whole, is for some purposes the co-operating body. For other purposes the co-operating body is some component group. There is no division of labor which is wholly irrespective of the composition of self-sufficing, self-perpetuating social groups, like the family and the horde. At a later time the social constitution is seen to be partially differentiated within itself and slowly undergoing further differentiation from the social composition.

Therefore, through a long succession of periods, the action of the social mind upon social structure is primarily and chiefly a moulding of the social composition. Or, when it acts directly upon the social constitution, it is at the same time still modifying the social composition, in important ways and to a great degree. Working conjointly with unconscious forces, it is creating definite forms of the family, the tribe, and the nation. Only when the *ethnos* is established does the social mind begin to act chiefly and powerfully on the social constitution, and thereby to organize and develop the *demos*.

It follows, as was pointed out in an earlier chapter, that a study of social composition is nearly co-extensive with ethnogenic sociology, and that ethnogenic sociology is mainly a study of the evolution of the social composition, though incidentally it is necessary to follow many associated developments of the social constitution.

I shall not at this time go further into the detail of the study of the social composition, the most important questions of which are those of the origins and early forms of

the family and of the clan, and of their relations to each other and to the tribe. Much less shall I enter here upon a particular study of the social constitution. I wish, however, to say a further word in regard to the limits of this part of sociological theory.

In the study of institutions, more than anywhere else, general sociology has been confounded with the special social sciences. Nearly every writer on sociology makes the mistake of thinking that symmetry and completeness are to be secured by taking up for separate discussion each group of social institutions in turn. By this erroneous judgment, or more truly this lack of insight, he not only places himself in a position where he must be either omniscient or superficial, but he disintegrates his science. Instead of unfolding an organic sociology he binds together in the covers of one book the elements of several social sciences. The general sociologist has nothing to do with the details of the evolution of institutions of any kind, domestic, political or ecclesiastical. His business is to lay a firm foundation in social psychology on which the students of institutions can build. He should show how the social mind works in creating institutions of any kind or of all kinds. He should show in what order the different kinds of institutions appear, as determined by their genetic relationships, and how all institutions vary in their vigor and characteristics with varying aspects of the social mind. These are fundamental studies, the results of which the student of any particular group of institutions should have at command without being obliged to work them out for himself, just as the anatomist or the physiologist depends on general biology for such postulates as the laws of selection, adaptation and heredity. They are also quite numerous enough for one division of one science. To add to them the details of several others is to misconceive the theoretical structure no less than the practical limits of sociology.

## CHAPTER V.

### THE SECONDARY PROBLEMS: SOCIAL PROCESS, LAW AND CAUSE.

My present account of the secondary sociological problems will be even more summary and more merely-indicative than that of the primary problems has been. The full discussion I reserve for a larger work. I shall only state the problems and barely suggest the answers that I expect further study to establish. The questions are those of the fact and nature of progress, of the nature of the social process, of the reality of social law and the character of social causation, and of the organic nature and function of society.

What have we to say about progress? Comte identified progress with social dynamics, and set it over against social statics. Social statics was a theory of social order; social dynamics he conceived to be a theory of stages of human development, and his discussion of progress, therefore, became merely a philosophy of history. The theories of organic evolution have thrown discredit on that way of conceiving the world which led to a sharp separation of static and dynamic in exposition, and Mr. Spencer, after having in his younger days published a book on "Social Statics," has in his later writings avoided any such line of division. Structures and forces are exhibited together, structure giving lines of direction to motion, motion, nevertheless, modifying structure. Yet without abandoning the organic conception, one may give his attention chiefly to the structural relations, or chiefly to the modifying forces as Mr. Ward has done in his treatise on "Dynamic Sociology." It follows that if progress be identified with the dynamic aspect of social life, a work on sociology will either contain no separate discussion of progress, or be little else than such a discussion, according to the author's personal bias. But the identity must not be uncritically assumed. A complete theory of social dynamics



would be an account of all social forces and of all possible social changes. Does our idea of progress include all social changes? Does it not rather exclude very rigorously all except changes of certain definable kinds, or in certain well-marked directions? If so, a doctrine of progress is far enough from being co-extensive, or in any other way identical, with social dynamics. It is rather a theory of the conditions under which social elements and forces emerge in a particular result, and therefore, also, of the limits to that kind or mode of change which the conditions impose. Otherwise stated, a philosophy of progress is primarily a theory of conditions and only incidentally of the forces that act subject to the conditions, while social dynamics is primarily a theory of forces and only incidentally of conditions. The point is technical, but helpful for clear thinking.

It would appear, therefore, that the first task in the study of progress must be to ascertain in what sense there is any such thing. What is the fact of progress? In what does it consist? If it is a group of changes of a particular and verifiable kind, its conditions can be known and its limits determined, at least approximately.

The answer of sociology will be that progress includes an increase of material well-being, a development of the social nature, and an increasingly perfect organization of social structure, but that, essentially, it is none of these things. Essentially it is a conversion of lower modes of energy into higher, that is, more complexly organized modes, and a substitution of the psychical for the physical process in social phenomena. It is an evolution of intelligence and sympathy, not merely as qualities or states of individual consciousness, but as gigantic social forces which more and more dominate social development, subordinating the relations of physical compulsion, in which society begins, to a voluntary co-operation. Society does not begin in contract but it tends progressively towards contract.\* So conceiving

\* This topic is admirably handled by Fouillée, "*La Science Sociale Contemporaine*."

progress, the sociologist will prove that it has certain rather definite limits. The conversion of physical into psychical energy cannot proceed beyond a definite degree of rapidity without endangering social organization.\*

If such are the nature and conditions of progress we have discovered the significant characteristic of the social process. It is the progressively important part played by the psychical forces. If it is chiefly, though not altogether, the physical aspect of social phenomena and a process of physical causation that we study when we look at the origins of social structure and growth, it is the conscious phenomena and a psychical process to which we pass when we turn to the later evolution. In all the higher forms of association and concerted action human wills are a factor. Association is no longer fortuitous, it is volitional. It follows that in studying volitional association we have to do especially with the connection between social forms and various sorts of co-operation, and the purposes that they fulfill, since men do not, of deliberate will, maintain and perfect their social relations unless they are conscious of an end to be subserved. That end is the development of their own psychical life, in scope and power and happiness. So the questions of volitional association are immediately concerned with the relation between social evolution and the development of personality. They include an analysis of the phases that volitional association presents for examination, such as its cohesive strength, its duration and the manner of its co-ordination. They include all inquiries that may be made as to the functional or purposive side of association, that is to say, the ways in which association acts favorably on individual personality and on the social mind, and likewise all inquiries as to the action of the social mind in creating custom, institutions and positive law. Inexhaustible materials are at hand for the student pursuing these inquiries. To exhibit the phases

\* I have examined this phase of the question more fully in an article on "The Ethics of Social Progress," published first in the *International Journal of Ethics*, Vol. III, No. 2, January, 1893, and reprinted in a volume of essays by various writers, on "Philanthropy and Social Progress," Boston, 1893.

of association, for example, the phenomena of political majorities alone would be sufficient, showing, as they do, every degree of cohesion,—from the rigorous party discipline that is able to defy independent movements and to sneer at all reformers, down to alliances that vanish at the first breath of dissension,—and every agency of co-ordination, from the “pull” of a district “boss” to the welding heat of moral indignation.

Conscious personality acts upon society through choice, and if there is a law of the volitional process in society it must be, as was shown in the first chapter, a law of social choices. We have come now to the point where an attempt to formulate the law must be made.

That it has not been made before this; that the very possibility of such a law has hardly been suspected, is in no way remarkable, because the sociologists who have been more interested in the volitional than in the physical aspect of social evolution have not been familiar, apparently, with the theory of individual choice that has been elaborated in modern economics. That the construction of this theory, the first scientific attempt to explain choice that has been made at all, in any department of knowledge, should have been the work of economists rather than of psychologists is perhaps remarkable, but no well-informed person will deny the fact.

Individual choices are determined by the subjective values previously described. Now in making subjective valuations for practical purposes we cannot estimate each source or means of satisfaction by itself alone; we can do that only in theory, for the sake of analysis. In real life we have to ask how each possible enjoyment will combine with other possible enjoyments to make up a total of happiness. We have to tone down or modify some indulgences to make them combine well with others, or, failing to do that, we have to sacrifice some pleasures altogether. As a rule many moderate pleasures that combine well, each heightening the others, will make up a larger total of satisfaction than a few



pleasures each of which is more intense. It is necessary therefore to correct each subjective value, as individually considered, by reference to its probable relation to other values.

Again, in subjective value immediate pleasure is not necessarily the only element considered. Further corrections may be made for probable future pleasures and pains, resulting from the choice contemplated, and for reactions on the personality, the self-development and the self-activity, of the chooser.

As soon as intellectual power sufficient to make such corrections has been acquired, the individual will attempt to bring his subjective values into a consistent whole, but the composition of the whole, and his success in making it harmonious throughout, will depend very much upon his own experiences. If his experiences have been limited and narrow and his pleasures few, but often repeated, his consciousness will have become identified with a total of subjective values that is thoroughly self-consistent, as far as it goes, but is very simple in its make-up. His few pleasures will be relatively intense; he will carry the consumption of each sort of goods that he uses to a further limit than he would carry it to if his pleasures were varied.

Suppose, now, that some wholly new pleasure, more intense than any that he has enjoyed hitherto, is introduced into his life, or that suddenly he sees opened to him possibilities of many new pleasures, which are, however, more or less incompatible with those to which he has been used. His group of subjective values becomes at once larger and more complex than before, but also less well-organized. It will be a long time before the readjustment is made. It will involve many sacrifices and self-denials. Meanwhile, the chances are that he will choose crudely and in a radical fashion. He will substitute oftener than he will combine. He will destroy when he might conserve. He will go wholly over to the new way of life, enjoying as before a few pleasures intensely instead of learning that he might get a

greater total of satisfaction from a large number of lesser pleasures harmoniously put together.\*

Apply these principles now to a population. Make a population-map of a country like the United States, showing the distribution of the people according to their habitual pleasures. In one region you will find a marked predominance of those who have lived for generations in a circumscribed way, the people of narrow experiences and of few enjoyments. In another region you will find in large numbers those who have suddenly found themselves face to face with possibilities of which they had not dreamed. Elsewhere you will find those who have so long enjoyed varied experiences and manifold pleasures that their subjective values make up totals which are highly complex and yet, at the same time, harmonious. Can predictions be made as to how these different regions will choose, select, or decide in their industry, their law-making, their educational and religious undertakings, their organization of institutions? I think that, beyond any doubt, prediction is possible, and that the law of social choice can be formulated, as follows :

A population enjoying few and relatively intense pleasures, harmoniously combined, will be conservative in its choices. A population having varied, but as yet inharmoniously combined, pleasures, will be radical in its choices. Only the population that enjoys many, varied, not over-intense, but harmoniously combined pleasures, will be consistently progressive in its choices.†

If this is the law of social choices, what determines the persistence of choices? The social arrangements that we

\* For the most complete discussion of these topics, the reader is referred to the writings of Professor Simon N. Patten; especially, "The Consumption of Wealth," Philadelphia, 1889; "The Theory of Dynamic Economics," Philadelphia, 1892; and "The Economic Causes of Moral Progress," ANNALS OF THE AMERICAN ACADEMY OF POLITICAL AND SOCIAL SCIENCE, Vol. III, p. 129, September, 1892.

† I believe that this law can be successfully applied to political prediction as soon as we have detailed sociological descriptions of populations. I have indicated some of the possibilities in an article on "The Nature and Conduct of Political Majorities," published in the *Political Science Quarterly*, Vol. VII, No. 1, March, 1892.

know at present are survivals. Thousands of different arrangements have disappeared because their usefulness to man was transient or feeble. They did not sufficiently profit the tribes or peoples that used them to save either people or institutions from extinction. The social arrangements that live as a part of the life of virile communities are arrangements that make communities virile. Directly or indirectly they help to make a better social man, keener in mind and more adept in co-operation. But among all possible social choices in law and institution-making, what ones will contribute to these results? What choices, merely as choices, will natural selection prefer?

The answer that sociology will give, I think, is very certain. The law is unmistakable. Those subjective values will survive, which are component parts in a total, or whole, of subjective values that is becoming ever more complex through the inclusion of new tastes and new pleasures and, at the same time, more thoroughly harmonious and coherent.

This law does not express a psychical process, as does the law of social choices. It formulates objective, physical conditions, to which choice must in the long run conform. When once the conditions are clearly perceived the law becomes entirely comprehensible.

Society, like the individual, must adjust itself to a physical environment. Its pleasures, laws and institutions must be a part of the adjustment, and thoroughly consistent with it, as a whole. But the environment is no constant or unchanging group of relations. It is undergoing ceaseless evolution, though the changes are often too slow to be perceptible at the moment. It is becoming more and more diversified through differentiation. Society may increase the diversification, but cannot prevent it. It cannot make the conditions to which life must adapt itself more simple. On the contrary, life must become more complex, by adaptation to more complex conditions, or it must cease. This, then, is the reason why tastes must become more varied. It is the reason why pleasures must be many, and contributory



to one another, each heightening, softening, or coloring the others, till all are like musical notes in accord. It is the reason further, why our principal and familiar enjoyments must not be so intense, individually, as to exclude those weaker, rarer, and more refined pleasures that are necessary constituents in a perfect whole of maximum satisfaction. Therefore it is in the physical nature of things that ultra-conservative and ultra-radical social choices must in the long run get extinguished, and that only the moderately but constantly progressive choices can survive.

Are we then to conclude that, in the last analysis, social causation is an objective or physical process, notwithstanding the important part that has been assigned to volition? If by this question is meant the metaphysical inquiry whether mind is merely a manifestation of matter, the sociologist as such has no opinion about it to offer. As sociologist that troublesome puzzle does not concern him. But if the question is whether the volitional process in society is conditioned by the physical, and is in no way independent, or underived, the sociologist must make an affirmative reply.

The part played by the volitional factors in social evolution is so conspicuous that a student who approaches the problem from one side only can easily fall into the habit of thinking of them as underived, independent causes, and out of this unscientific habit many misconceptions have grown. The sociologist deals with phenomena of volition at every step. In fact, as we have seen, they are central points, about which all the other phases of social change are grouped. More than this; the sociologist deals not only with causes that are not merely physical, but with many that are not merely psychical. They are as much more complex than the merely psychical as the psychical are more complex than the merely physical. They are sociological—products of social evolution itself—and the true sociologist wastes no time on attempts to explain all that is human by environment apart from history.

The real question, therefore, is not on the existence or the importance of volitional and distinctively sociological causes. It is whether these are underived from simpler phenomena than themselves, and undetermined by processes of the physical and organic world. To this question the answer of sociology is an unqualified negative. Sociology is planted squarely on those new conceptions of nature—natural causation and natural law—that have grown up in scientific minds in connection with doctrines of evolution and the conservation of energy.\* These conceptions, as the working hypotheses of physical and organic science, are totally unlike those old metempirical notions that made natural law an entity, endowed it with omnipotence, and set it up in a world of men and things to govern them. Natural laws are simply unchanging relations among forces, be they physical, psychical or social. A natural cause is simply one that is at the same time an effect. In the universe as known to science there are no independent, unrelated, uncaused causes. By natural causation, therefore, the scientific man means a process in which every cause is itself an effect of antecedent causes; in which every action is at the same time a reaction. Nature is but the totality of related things, in which every change has been caused by antecedent change and will itself cause subsequent change, and in which, among all changes, there are relations of coexistence and sequence that are themselves unchanging.

In this mighty but exquisite system man is indeed a variable, but not an independent variable. He is a function of innumerable variables. In a world of endless change he acts upon that world, but only because he is of that world. His volition is a true cause, but only because it is a true effect. Therefore, while affirming the reality of sociological forces that are distinctly different from merely biological and merely physical forces, the sociologist is careful to add that

\* Conceptions not all found even in so recent a work as the "Logic" of J. S. Mill, but set forth clearly by Lewes, in "Problems of Life and Mind," First Series.

they are different only as products are different from factors; only as protoplasm is different from certain quantities of oxygen, hydrogen, nitrogen and carbon; only as an organism and its co-ordinated activities are different from a group of nucleated cells having activities that are unrelated. Recognizing that society is an organization that acts in definite ways upon its members, he looks beyond the superficial aspect and finds that all social action is in fact a reaction, and, as such, definitely limited and conditioned. He finds nowhere a social force that has not been evolved in a physical-organic process, nor one that is not at every moment conditioned by physical facts. He sees in constant operation that marvelous product of individual wills, the collective or group will, in which Austin found the source of political sovereignty; but he sees also, what no jurist before Darwin's day could know, how inexorably the sovereign will is conditioned by natural selection. The group, like the individual, can will what it wills; but what it does will is determined by conditions that man did not create, and whether the group will keep on willing this thing or that thing, will depend on whether the thing willed conduces to social survival. If it does not, there is presently an end of social willing along those lines.

It is in this truth that the sociologist discerns the essential significance of the much-befogged doctrine of natural rights. Natural rights, as the term was once understood, have gone to the limbo of outworn creeds; not so those natural norms of positive right that sociology is just beginning to disclose. Legal rights are rights sanctioned by the law-making power; moral rights are rules of right sanctioned by the conscience of the community; natural rights are socially-necessary norms of right, enforced by natural selection operating in the sphere of social relations; and in the long run there can be neither legal nor moral rights not grounded in natural rights as thus defined.

I am not trying here to rehabilitate an old idea in a new phraseology. I reject the old idea, and with it that use of the



word natural, imposed on political philosophy by Rousseau, which identifies the natural exclusively with the primitive; a use now banished from biology and psychology, but inexcusably retained in the political sciences by many economists and jurists, as if natural were a word of no broader meaning than natal. In scientific nomenclature natural has become much more nearly identical with normal. In its absolute scientific sense the natural is that which exists in virtue of its part in a cosmic system of mutually-determining activities; hence, in a relative and narrower sense it is that which is, on the whole, in harmony with the conditions of its existence. The unnatural is on the way to dissolution or extinction.

If the social will is conditioned by natural selection, not less is the power to convert will into deed conditioned by the conservation of energy. Enormous as the social energy is, it is at any moment a definite quantity. Every unit of it has been taken up from the physical environment, and no transmutations of form can increase the amount. What is used in one way is absolutely withdrawn from other modes of expenditure. Let the available energies of the environment be wasted or in any way diminished, the social activity must diminish too. The evolution of new relationships of conscious association, and the accompanying development of personality, will be checked.

Thus our definition of sociology as an explanation of social phenomena in terms of natural causation, becomes somewhat more explicit. Specifically, it is an interpretation in terms of psychical activity, organic adjustment, natural selection and conservation of energy. As such, it may be less than a demonstrative science, if the experimental sciences be taken as the standard; but we cannot admit that it is only a descriptive science, as contended by those French sociologists who hold closely to the philosophy of Comte.\* It is strictly an explanatory science, fortifying induction by deduction, and referring effects to veritable causes.

\* See especially M. de Roberty "*La Sociologie*," second edition. Paris, 1886, Chapter II.

Moreover, when rightly apprehended, sociology has a perfect scientific unity. The conceptions here presented transcend the old Comtist division into two sharply defined parts, before mentioned, one dealing with social statics, the other with social dynamics.\* Structure can no longer be studied in any organic science apart from function, nor function apart from structure, for we know that at every stage activity determines form; and form, activity. The sociologist refuses to sunder in theory what nature has joined in fact. He centres his attention on a moving equilibrium.

The final question remains. What is the nature of this concrete group of phenomena that we have been studying? To what class of natural objects does it belong? Is it, as Mr. Spencer and others have said, an organism?

Certainly it is not a physical organism. Its parts, if parts it has, are psychical relations. They are not held together by material bonds, but by comprehension, sympathy and interest. If society is an organism at all it must be described as physio-psychic—a psychical organism essentially, but having a physical basis. But the reader who has followed these pages thus far will be disposed to agree with me, I think, that a society is more than an organism—something as much higher and more complex as an organism is higher than non-living matter. A society is an *organization*, partly a product of unconscious evolution, partly a result of conscious planning. An organization is a complex of psychical relations. Like an organism, however, it may exhibit every phase of evolution—of differentiation with increasing cohesion or unity.

Like an organism, too, an organization may have a function, and society unmistakably has one. It has developed conscious life; it is creating human personality, and to that end it now exists. It is conscious association with his fellows that develops man's moral nature. To the exchange of thought and feeling all literature and philosophy, all

\* A division carried out by M. de Roberty in the classification of the special social sciences.—“*La Sociologie*,” p. 113.

religious consciousness and public polity, are due, and it is the reaction of literature and philosophy, of worship and polity, on the mind of each new generation that develops its type of personality. Accordingly, we may say that the function of social organization, which the sociologist must keep persistently in view, is the evolution of personality, through ever higher stages and broader ranges, into that wide inclusion and to that high ideal quality that we name humanity.

Therefore, at every step the sociological task is the double one—to know how social relations are evolved, and how, being evolved, they react on the development of personality.\* Put in yet another way we may say that one object of sociology is to learn all that can be learned about the creation of *the social man*. The bearing of this learning upon the studies of the economist and the political theorist will be well understood by all who have followed the recent progress of political philosophy. The "economic man" of the Ricardians still lives and has his useful work to do; *pace* our scientific Iagos, who aver that they have looked upon the world these four times seven years, and have never yet "found man that knew how to love himself." Not so the natural man of Hobbes, whose singular state, as described in the *Leviathan*, "was a condition of war of every one against every one," but who nevertheless "covenanted" with his neighbor. That whole class of ideas, and all the theories built upon them, in which man was lifted out of his social relations—in which the individual was conceived as an uncompromising egoist, existing prior to society and reluctantly bringing himself to join a social combination as a necessary evil—are giving way before a sounder knowledge. Instead of those notions, a conception of man as essentially and naturally social, as created by his social relationships and existing *qua* man only in virtue of them, will be the starting-point of the political theorizing of coming years.

\* The work of interpreting thought, morals, art and religion from the sociological point of view had been hopefully begun by the lamented M. Guyau. His "*L'Art au Point de Vue Sociologique*" and "*Éducation et Héritité, Étude sociologique*," are especially suggestive.



## CHAPTER VI.

### THE METHODS OF SOCIOLOGY.

We come now, finally, to the question of the methods and mental habits that are required in sociological research. Is it possible to find under the actual conditions of university life, the mental qualities and to develop the methods that must be relied on? Indeed, are we not confronted here with a very serious, perhaps an insuperable difficulty? The specializing tendencies of modern research are due quite as much to mental limitations as to the distinctness of the inquiries pursued. I am not sure that this subjective fact, rather than any objective feature, is not more and more determining the grouping or classification of the sciences for university purposes. Subjects are grouped together in schools or departments that call for the same or similar aptitudes, and are pursued by the same or similar methods. If, then, a science is allied by its subject-matter with knowledge of one kind while its method is necessarily one by which we discover knowledge of a very different kind, its chances of winning the favor of students are small. If sociology is of interest chiefly to students of the economic, political and moral sciences, but must be developed by methods with which they are little familiar, any hope of establishing it securely as a university study might as well be abandoned. Of course we may premise that the successful pursuit of any modern science requires a fairly broad range of intellectual sympathies. Every science is in some measure dependent on many other sciences for both concepts and methods. Its devotees cannot be wholly unfamiliar with the instruments or modes of reasoning employed by their co-workers in other fields. Yet every science has also a method or methods that are peculiarly its own and are mastered only through systematic training. Sociology is no exception. It draws largely from biology, largely also

from history. Statistics it uses so freely that many writers hold it to be an open question whether sociology and statistics are anything else than different names for the same science, or, at the most, slightly different forms of what is practically the same body of knowledge. Yet if I have rightly stated the problems of sociology, all these means of research are subordinate. The chief dependence must be on a skillful employment of psychological synthesis. Using the faculty of scientific imagination, the sociologist must ideally put together the various elements, forces, laws, of psychical life; and then bring the whole result, as an organic unity, to the test of comparison with historical facts and statistical tabulations. His procedure must not only reverse the processes of ordinary psychology, by which that concrete whole, the individual *ego*, is resolved into hypothetical elements and modes of activity; it must likewise reverse a radically unscientific procedure that for years has obtained in the political sciences. After resolving human nature into abstractions, we have attempted to verify, *singly and severally*, all manner of deductions therefrom by a direct comparison with statistics and history, as if these concretes could by any possibility correspond to deductive truths until the latter had been wrought together into complex wholes. Of a score of illustrations that might be cited, take the once familiar economic dogma, that if a laborer does not pursue his interest, his interest will none the less pursue him, against which President Walker has so effectively marshaled the concrete facts of industrial life. Filled with indignation at the mischief which that dogma has done, we have said too hastily that all deductive economics is a lie. For that very dogma, as a single abstract truth, was a valid scientific conclusion; because it is certainly legitimate to separate an abstract principle of human nature from all other abstract principles and to draw logical deductions from it. The fallacy entered when the single truth was taken for a synthesis of truths; when the part was made to do duty for the whole. If besides the premise that man may

be abstractly conceived as a competitor with his fellow-men for economic advantage, the economists had made use of the further premise that we may also abstractly conceive of him as an instinctive combiner with his fellow-man for maintaining class power and privilege, they would have drawn not only the deduction that employers must compete with one another in building up industries, but the further deduction that, as far as possible, they will refrain from competing against one another in buying labor, and will never fail to stand together in shaping the social and legal conditions under which laborers must sell their work. The two deductions put together would have afforded a resultant truth not very unlike the concrete facts of history and statistics. Working by the method of psychological synthesis, the sociologist is constantly on the watch for neglected or unperceived factors in human action, as the chemist for undiscovered elements, and by putting them together in every imaginable way he tries to discover the conditions and laws of their combination. Regarded on its disciplinary side, sociology is pre-eminently the science that may be expected to train its students in habits of constant attention to the psychical possibilities of the great world of human struggle, in which we act and suffer and enjoy.

Viewing the science and its method in this way, I do not hesitate now to give an affirmative answer to the question whether students of the political sciences can be expected to master the method that has been described. I am prepared even to go further, and to affirm that there is no other one thing in the whole range of their possible studies which it is so imperatively necessary that they should master. The young man who is to-day entering upon the special researches of economics or public law will quickly discover that he must become a very critical observer of the psychological assumptions underlying those sciences if he expects to keep pace with their future progress. The prolonged controversy over the respective merits of deductive and historical methods is approaching an issue that no one



foresaw. I think no one will contradict me if I say that the men who, a dozen or fifteen years ago, expected almost unlimited additions to knowledge from the application of historical researches to political and economic questions, have been not a little disappointed. There is an unmistakable reaction all along the line toward the freer employment of analysis and deduction. But these methods can never again be used in quite the old way. It is seen by everybody that the basis of investigation must be widened; that innumerable facts must be taken into account that were once ignored. Is it not significant that while this conclusion has been slowly forcing itself upon scientific attention, a new life has been actually infused into theoretical studies by men who have approached them from the psychological side? Without raising any question of the final value of the contributions made to economic theory by Jevons and Menger and their followers, I think we must all admit that we owe to their re-examination of the psychological premises of political economy the fresh impulse that is making itself felt in every department of economic speculation. Much the same sort of thing may be affirmed of comparative jurisprudence. Five years ago one would have said that the doctrine of natural rights was buried beyond resurrection. Yet of late it has been again discussed on both sides of the Atlantic with more originality and more vigor than at any previous time since the closing days of the eighteenth century. But here again the new view is not like the old. Historical researches having shown the essential relativity of all systems of right, the inquiry is now as to the subjective or psychological basis of the historical systems. No doubt the doctrine that will emerge will be very unlike the eighteenth century notions, but, be that as it may, the conviction is gaining ground that the further progress of the sciences of public law will depend greatly on a more thorough study of the psychology of law. And public law and economics are but two out of many sciences that are grounded in social psychology. They all build on psychological assumptions, and

the assumptions are either true or imaginary. The phantasms and symbols of an imaginary psychology have ruled the social sciences long enough. Whether we like it or not we must now throw over our illusions and learn to substitute for them the truths of a rational sociology.

SUPPLEMENT TO THE

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SEPTEMBER, 1894.

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# CONSTITUTION

OF THE

# KINGDOM OF PRUSSIA

TRANSLATED AND SUPPLIED

WITH

AN INTRODUCTION AND NOTES

BY

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### NOTE.

This Constitution, by means of the numbers at the bottom of the pages, is paged continuously with the Constitution of the United States of Mexico, which was the first paper in Volume II of the ANNALS, and was issued in a separate edition as No. 27 of the Publications of the Academy, the Constitution of the Republic of Colombia, which was sent as a Supplement to the January, 1893, ANNALS, and was also issued as No. 79 of the Publications of the Academy, and the Constitutional and Organic Laws of France which were sent as a Supplement to the March, 1893, ANNALS, and were also issued as No. 86 of the Publications of the Academy.

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\* This Outline of Contents has been prepared by the Editors of the ANNALS.

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## A BRIEF SKETCH OF THE ORIGIN AND NATURE OF THE PRUSSIAN CONSTITUTION.

### I.

The development of an unlimited, centralized monarchy was seemingly inevitable in Prussia, since the growth of this state is almost solely attributable to a line of remarkably able monarchs who, since the House of Hohenzollern was granted the then comparatively insignificant Mark Brandenburg, early in the fifteenth century, have, by their personal wit and fortune, first acquired and then consolidated an ever widening territory. When the Great Elector succeeded at the close of the 'Thirty Years' War in bringing his disordered lands again under the royal control, we find the Prussian territories consisting of three groups of States: Brandenburg and the adjacent lands; Prussia, at that time far to the east of the other possessions of the elector; and finally the Rhine lands of Cleves, Mark and Ravensberg. "All these numerous principalities had their own separate constitutions which, in the main, granted the ruler only the most restricted powers. No common political institutions existed. The Brandenburger was a foreigner in Prussia, while in Brandenburg, on the other hand, the Rhinelander from Cleves or the Westphalian from Minden was denied the title of citizen. The bond of union for all these lands and peoples was the ruler. He alone could furnish a nucleus around which the future state might crystallize. Hence the political structure had inevitably to be reared upon a monarchical foundation. The consolidation of the state necessarily involved a



struggle with the particularism of the estates of the various realms, in so far as their overgrown prerogatives came into conflict with the essential unity of the state."<sup>1</sup> The concentration of all the power of the state in the hands of the ruler was, however, only brought about by the most disastrous concessions to the nobles. In return for the surrender of their political rights and influence, their privileges of rank were increased, and the peasant was left completely at their mercy. The lamentable social conditions which were the result, prevailed down to the disaster of Jena (1806), when utter defeat and threatened annihilation roused even Frederick William III. to agree to a project of reform. With Stein's Edict of Emancipation (1807) and the later reforms carried out by Hardenberg, the worst abuses of the social and industrial organization were abolished, and a prospect of political regeneration appeared in the promises of the king, who announced, as early as 1810, his intention "to grant the nation a suitably organized representation both provincial and national," of whose counsel he would gladly take advantage. In a famous decree issued five years later (May 22, 1815), the king went much farther. A commission was actually to be assembled at Berlin consisting of state officials and inhabitants of the provinces, who were to draw up a written constitution providing not only for a system of provincial assemblies (upon which the king laid great stress), but for a national representation of the people as well. This decree was never executed, however, nor were the king's promises of a constitution (repeated again in 1820) ever fulfilled, much to the disappointment of all liberal-minded men. Not only was the king, together

<sup>1</sup> Schulze, "*Das Preussische Staatsrecht*," Zweite Aufl. I. 46. An admirably clear account of the development of the Prussian Kingdom and of the origin of the constitution is to be found in this work, pp. 24-129.

with a large and influential reactionary party who hated Stein and all his inventions, really opposed to a change, but the results of the Congress of Vienna, the influence of Metternich and the exaggerated fear of new revolutions all worked against constitutional progress.

When finally in 1823, the king undertook the organization of provincial assemblies, he carried out the plan in a half-hearted manner which illustrates the views entertained by the government at that time in regard to the control of the people. The tendencies of the times were wholly neglected, the aim being to revive and perpetuate mediæval institutions which had long ago proved their inadequacy. The plan was a strange hybrid of Romanticism and of the modern bureaucratic ideals of an absolute monarchy. Instead of encouraging the feeling of nationality among his subjects the king did everything to foster a provincial narrowness quite natural among the somewhat varied groups of people which the Prussian state comprises. Moreover, the people were divided into social classes, nobles (*Herren*), knights, burgesses and peasants, and the possession of landed property alone entitled a citizen to representation in the assembly of his province. The modern conception of citizenship as well as that of nationality was not recognized, but the mediæval system of separate classes of society or estates (*Stände*) was sanctioned, each of which was supposed to have its own peculiar interests, and voted separately in the assemblies. A more helpless and insignificant organization can hardly be conceived. There was no security for a periodical convocation of the estates. No report was to be made to them of the purposes to which the state funds were applied. They could not even exercise the right of petition freely. Finally their main function, that of expressing an opinion

upon proposed laws, was much less important than would at first sight appear, for from the opinions offered by eight uncorrelated assemblies, the government would have little difficulty in selecting those expressions which accorded with the views of the ministers.

## II.

### THE ORIGIN OF THE PRUSSIAN CONSTITUTION.

When in 1840, Frederick William III. died, and his son, Frederick William IV. ascended the throne, great hopes were entertained that Prussia would soon be numbered among the already numerous constitutional states of Germany. The new king, however, regarded the development of the institutions just described as the only legitimate mode of progress. By a system of committees appointed by the individual provincial assemblies, and which were to come together and confer upon points in regard to which the several assemblies were at variance, the king flattered himself that "an element of unity" could be given to the whole Prussian people without a dangerous approach to revolution.<sup>1</sup> A few years later another cautious advance was made in the establishment (February 3, 1847), of a so-called United Diet (*Vereinigter Landtag*). This consisted of *all* the members of the eight provincial assemblies, and was composed of two houses—a house of lords and a second chamber comprising the three estates of the knights, burgesses and peasants. It is unnecessary to describe this institution in detail, for no sooner had the United Diet met at Berlin in April, 1847, than it became apparent that the concessions of the king were looked upon by the people as in no respect a fulfillment of the earlier

<sup>1</sup> These committees met but twice, October to November, 1842, and in January, 1848.



promises to give Prussia a modern constitution. The assembly, soon after it was opened, sent an address to the king setting forth this view. The king replied, that while he regarded the system he had just introduced as unimpeachable in principle, it need not be looked upon as complete, but rather as susceptible of development.

The lower house especially was dissatisfied with the attitude of the king. They demanded that the United Diet be assembled periodically, and consulted on all proposed legislation affecting the rights of person or property, as well as in the imposition of taxes. They asked farther, that only with its consent should new loans be contracted by the state, or any alteration of the constitution take place. These and a number of equally moderate demands were refused by the king. In spite of this seemingly fruitless session of the new assembly, the event was an important one. For the first time representatives of the whole Prussian people had met together as a national whole and publicly discussed the organization of the state and demanded an abandonment of the mediæval ideas cherished by their ruler. Had the king granted the moderate reforms which the people had at heart, the difficult transition from an absolute to a constitutional monarchy might easily have been made. Before a year had elapsed the February revolution in Paris and the consequent excitement in Germany rendered the king's position no longer tenable.

In March, 1848, the king consented to meet the demands of the nation, and issued an election law providing for the choice of deputies to a constitutional convention. In the terms of this decree we find a great advance is made, for the modern idea of national representation takes the place of the mediæval conception of

class representation. The feudal estates of the realm receive no farther recognition. Every male citizen over twenty-five years of age is given the right to participate in the choice of electors, who in turn are to choose the deputies to the Constitutional Assembly. When the convention met May 22, 1848, the king laid before them a sketch of the new constitution. In this he leaves his former position entirely, and declares that "the future representation of the people shall in any case have the right to approve or reject all laws, grant all taxes and ratify the provisions of the budget." The convention appointed a committee to consider this draft, suggest emendations and receive propositions relating to the constitution. The committee, after about six weeks of deliberation, submitted a new draft July 26, which was first considered separately by the eight divisions into which the convention was divided according to provinces, and then by the body as a whole. Continued disturbances in Berlin, where the convention was sitting, produced a disagreement between the assembly and the government on those provisions which related to the civic guard and the police force of the capital. When the discussion in the committee of the whole began on October 12, the left wing of the assembly showed that it was really in power. The expression, for example, "by the grace of God," at the beginning of the constitution was stricken out, and resolutions passed looking toward a complete abolition of the nobility. The king was, moreover, requested to send aid to the inhabitants of Vienna, at that time besieged by Imperial troops. The mob in the streets of Berlin having threatened the members of the right with violence, the king ordered the transfer of the assembly to the neighboring city of Brandenburg. The radical members protested and were

scattered by the military force, and Berlin declared in a state of siege. The quorum, which had at first assembled at Brandenburg, rapidly decreased, and on December 5 the king dissolved the constitutional convention, and promulgated the so-called "*octroyed*"<sup>1</sup> constitution of December 5, 1848. This action on the part of the king was justified expressly on the ground that the contemplated agreement upon the form of government had, owing to circumstances, proven to be impracticable. It was farther maintained that the constitution as granted was drawn up with the greatest possible regard for the wishes expressed by the representatives of the people during their deliberations.

It was provided in the constitution that immediately after the regular assembling of the chambers, the text of the instrument should be submitted to a revision, observing the usual forms of legislation. On February 26, 1849, the new chambers met and after formally recognizing the constitution drawn up by the king as the law of the land, proceeded to subject it to the contemplated revision. The interesting crisis which the German Confederation had reached at this period could not fail to exercise an important influence upon Prussia. The lower house of the new parliament showed itself recalcitrant upon certain points relating to the proposed Federal constitution, and was dissolved by the king. This event had an important result. The election law, issued at the same time as the constitution, which granted the right of suffrage equally to all adult males, was materially modified upon this occasion and the peculiar *three class* system of choosing electors introduced, which exists to-day.<sup>2</sup> This innovation was

<sup>1</sup> From the French *octroyer*, to grant, used in the case of the Charter granted by Louis XVIII. in 1814.

<sup>2</sup> See Art. 71 of the Constitution.



accepted by the chambers when they were somewhat tardily convened by the king in August. They then proceeded once more to the revision of the constitution, article by article. By the middle of December a draft was agreed upon and submitted to the king. The latter suggested a series of alterations for the improvement of the constitution, which were after some consideration accepted in the main by both chambers. On January 31, 1850, a royal message declared the proposed revision of the constitution to be complete and the document in its modified form was promulgated in the official organ as "the fundamental law of the land."<sup>1</sup>

The marked contrast which exists between the origin of the Prussian constitution and that of our own will strike every reader. In considering the document before us it is not difficult to distinguish two divergent lines of thought. There exists an obvious compromise in this repeatedly revised text between the claims of modern popular government and of the former absolutism, the adherents of which took new courage during the reaction which coincided with the final revision. The theories of the extreme advocates of both of these opposed conceptions of the state were equally impracticable. England's system of cabinet government was as little applicable to Prussia as Frederick William's favorite mediæval estates. A compromise between the two was inevitable. The past could not but exercise a determining influence upon the result, nor could the recent democratic tendencies, during the two years of deliberations, fail to modify the outcome. Once at least since the granting of the constitution, the king has felt himself justified in violating its provisions in order to carry out a plan which

<sup>1</sup> The various changes which took place in the successive drafts of the constitution of 1850 are to be found in great completeness in L. v. Rönne's "*Die Verfassungs Urkunde für den Preussischen Staat*," Dritte Aufl., Berlin, 1859.

he rightly believed to be of the utmost import, not only to Prussia, but to all Germany. In general, however, the king retains a sufficiency of power to enable him to promote his ends without a formal breach of the constitution. He is still the recognized and efficient head of the state, in whom all political powers are vested. While in the exercise of certain definite government functions, he must proceed with the co-operation of the representatives of the people, he continues to possess all residual powers and nothing can legally be done by the government without his consent.

### III.

#### GENERAL CONCEPTIONS UNDERLYING THE PRUSSIAN CONSTITUTION.

The understanding of the Prussian constitution depends chiefly upon a firm grasp of the truth that Prussia was an absolute monarchy until 1850, and that the present constitution was in its essential features drawn up by the king himself as a limitation upon his own hitherto absolute power. The constitution of Prussia is thus the concession to the people of a right to participate with the formerly absolute ruler in the conduct of the government. Obviously any general analogy to our own constitution, either as regards origin or aim, is entirely wanting, and only by divesting our minds of preconceptions based upon our own institutions and by keeping constantly in view the fundamental characteristics of the Prussian constitution, can we hope to gain anything from a study of the document itself.

Up to the time the constitution went into force the officially announced will of the king was law in Prussia. He was the sole legislator, as well as the supreme and

uncontrolled head of the administration. He made the laws and executed them. It would therefore be but natural to infer that in conceding to the nation in 1849 the right to participate in legislation, the king would have acted with circumspection and with the idea of maintaining to a great extent his former control of affairs. The personal inclination of the king would be re-enforced by the tendency of long established institutions to perpetuate themselves in spirit if not in form. We shall, therefore, not be surprised to find the former governmental system constantly reflected in the provisions of the present constitution, and serving as an explanation of many of its features.

The conception of kingship is obviously of the first importance in Prussian constitutional law. "As in constitutional monarchies in general," v. Rönne observes,<sup>1</sup> "so in the Prussian State, the right of the supreme direction of the state belongs exclusively to the king as its head, and no act of government may be performed without his assent or against his will. All the prerogatives of the state are united in his person and his will is supreme, the officials being only organs through which he acts. The constitution, it is true, does not expressly set forth these principles, but they have been already legally formulated in the Prussian law, and are moreover a necessary consequence resulting from the very nature of monarchy."<sup>2</sup>

The powers of the king enumerated in the constitution (Title III) are only a partial list of those remaining to him after granting the constitution. The king does

<sup>1</sup> "Preussisches Staatsrecht," Vierte Aufl., I, 150.

<sup>2</sup> The clause here referred to, in the ante-constitutional law of Prussia (*Allgemeines Landrecht für die Preussischen Staaten*, S. 1, Thl. 2, Tit. 13), reads: "All rights and duties of the state toward its citizens and those under its protection are concentrated in the head of the state."



not possess, according to German law, simply an arbitrary aggregate of sovereign rights conceded him by the constitution, but "the whole and undivided power of the state in all its plenitude. It would, therefore, be contrary to the nature of the monarchical constitutional law of Germany to enumerate all individual powers of the king, or to speak of royal prerogative . . . his sovereign right embraces, on the contrary, all branches of the government. Everything which is decided or carried out in the state takes place in the name of the king. *He is the personified power of the state.*"<sup>1</sup> The king is, however, limited and subject to control in the exercise of his power, and it is the main function of the constitution to define the limitations and the methods of control.

The most important change which the establishment of the constitution in Prussia produced was the admission of the people to a participation in legislation. Up to that time the expressed will of the monarch had not only been supreme as it still is, but legally unlimited and all-sufficient in the formation of the law. This ought never to be forgotten in judging the Prussian constitution. The legislative bodies are relatively recent in their origin, while a long tradition of uncontrolled legislative power remains to favor the preponderance of the monarch. The representatives of the people are not placed upon the same plane with the ruler. Even in law-making, we shall find that the chambers are not co-equal with the monarch. Let us examine then the exact constitutional rôle which the people or their representatives play in Prussia. In what respects do they exercise a control over the previously absolute power of the monarch? What governmental functions may

<sup>1</sup> Schulze, "*Preussisches Staatsrecht*," Zweite Aufl., I, 158-9.

the monarch still perform independently, and to what extent must he, according to the constitution, regard the wishes of the chambers?

According to German law, as we have already seen, "the *absolute* power of the state is vested in the king, his will is the will of the state. This is not, however, arbitrary and subjective, but is externally conditioned, that is to say, in the most important governmental functions he is bound by the co-operation of independent organs of which the representation of the people is the most important. The representatives of the people may not reign themselves, but through their action they may influence and direct the government in popular lines. They serve as an intermediary between ruler and ruled." . . . But "the chambers have no part in the power of the state, they exercise no co-ordinate sovereignty, no *co-imperium*. As individual members and as a whole they are *subjects* of the king. Their activity begins and ends by authority of the king, but within their sphere they are perfectly free. As respects the expression of opinion and their decisions they are independent of any royal command and have only to work for the welfare of people and state according to their convictions. On the other hand the king is bound to obtain their assent in the exercise of the most important functions of state. His will in the cases determined by the constitution becomes the full will of the state, only when it has received the ratification of the representatives of the people."

The function of the chambers is a double one, which consists in the first place, in so influencing the whole policy of the government that in its important acts and measures it may observe the wishes of the nation and

remain in harmony with the general spirit of the people : in the second place the constitutional order of the state as well as the civil rights of individuals must be protected from the unlawful attacks or encroachments of the king and his ministers.<sup>1</sup>

In view of what has just been said a natural question arises. Are the rights of the people to participate in the government confined to such powers as are *explicitly* conferred upon the chambers by the constitution, the king retaining the right to exercise all other powers in the former absolute and uncontrolled manner, or are the constitutional rights of the chambers deducible from general principles? While this question is not of so much practical importance as it would at first sight appear, it serves excellently to illustrate the spirit of the Prussian constitutional monarchy. As might be expected the German authorities differ somewhat in their views. This difference goes back to the earlier period when most of the German States, with the notable exception of Prussia, were introducing a constitutional form of government. The Final Act of Vienna (1820) provided that in accordance with the fundamental principles of the German Confederation the whole power of the state must remain vested in the head of the state and that the sovereign could be limited through a constitution, by the co-operation of the representatives of the people only in the exercise of *certain defined rights*.<sup>2</sup> This principle has been recognized in a great number of the

<sup>1</sup> Schulze, *Op. cit.*, I, 608.

<sup>2</sup> This important passage reads as follows: "Da der deutsche Bund mit Ausnahme der freien Städte aus souverainen Fürsten besteht, so muss, dem hierdurch gegebenen Grundbegriffe zufolge, die gesammte Staatsgewalt in dem Oberhaupte des Staats vereinigt bleiben, und der Souverain kann durch eine landständische Verfassung nur in der Ausübung bestimmter Rechte an die Mitwirkung der Stände gebunden werden."—*Wiener Schluss-Akte, Art. LVII., bei Meyer Corpus Juris Confoed. Ger.*



existing constitutions of Germany, and Meyer<sup>1</sup> claims that in view of the explicit declarations to that effect in the constitutions of Bavaria, Saxony, Württemberg, Baden, Hesse and eleven of the lesser states the presumption is always in favor of the king. "All powers remain vested in the monarch which are not expressly withdrawn, while the other organs of the state can lay claim only to those expressly granted to them." Even if this theory is not universally accepted in precisely this form<sup>2</sup> it sheds much light upon the traditional relations between monarch and people in Germany and illustrates the relatively disadvantageous position which the chambers occupy. Where there is doubt in regard to the exercise of a given power history appears always to side with the monarch.

Upon turning to a consideration of the actual process of law-making, in which it is the especial object of the constitution to secure the participation of the chambers, the predominating influence of the monarch becomes even more apparent. In the first place the king retains important rights of independent legislation in his ill-defined power to issue *ordinances* which may be in substance really laws. The distinction between law and ordinance was practically unrecognized before the introduction of a constitution, for all laws necessarily took the form of royal ordinances. Since the establishment of a system of popular representation all *laws* must normally receive the assent of the chambers in order to be valid. In general, the monarch, as chief executive, may constitutionally issue independently only such administrative

<sup>1</sup> "Deutsches Staatsrecht," 205.

<sup>2</sup> Schulze ("Deutsches Staatsrecht," I. 477) objects to this conclusion and maintains that the attempt to form a complete catalogue of the rights of the representatives of the people is as delusive as the effort to form a complete list of those of the crown.

rules as simply bind the government officials, while all measures involving an alteration of the law of the land must receive the assent of the chambers. But in Prussia the variety of functions performed by the state is so great and the technical information demanded is so considerable that there is a well founded inclination upon the part of the representatives of the people modestly to refer the decision upon less important points of legislation to the king and his ministers. The field is altogether too considerable for a popular assembly, consisting even of the best qualified members, to be able in every case to formulate a law complete in its details and yet adapted to the exigencies of the occasion. Obviously those called upon to conduct the administration learn better than any one else the rules according to which it is most expedient to act. The laws which regulate the action of the ministers must, while insuring the rights and liberties of the subject, hamper as little as may be the administration in the accomplishment of its very comprehensive ends. The representatives of the people may and do content themselves with a general determination of the provisions of legislative measures, leaving the details in the more competent hands of king and ministers.<sup>1</sup> When we add to this delegated power of amplifying and elaborating the laws passed with the concurrence of the chambers, the infinite variety of important and wide-reaching administrative regulations which are issued by the monarch in his capacity of chief executive; when we consider the right of the king to enact provisional laws (Art. 63) and to dissolve the lower house (Art. 51) it is clear that the monarch and his ministers have opportunities for encroachments upon the rights of the

<sup>1</sup> Cf. the writer's pamphlet, "The German Bundesrath," Publications of the University of Pennsylvania, Phila., 1891.

chambers which are at once difficult to prove and impossible to prevent or punish.

The introduction of bills is not confined to the king and his ministers, but it is generally left to them, both from habit and from a want of confidence on the part of the chambers themselves.<sup>1</sup> This tendency is emphasized by the constitution, which allows the access of the ministers to the chambers and gives them a right to be heard at any time, thus enabling them to defend the bills introduced by them and to declare the attitude of the king and his advisers toward proposed legislation.

Although the chambers enjoy with the king the right of submitting bills, the king alone can make a bill a law. After a bill has received the approval of both houses it is passed on to the president of the ministry, who submits it to the king. "*In the acceptance or rejection by the king lies the really decisive act. Only the approval of the king converts a bill into a law.*"<sup>2</sup> This amounts to vesting in the king the power of absolute veto, but it is really more than that. "It does not correspond with the theory of German constitutional law to speak of the various factors of legislation, still less to designate the *positive* law creating power of the king as simply a *negative* veto. The king is not only one of the factors in legislation, *he is the law-giver himself.*"<sup>3</sup>

The publication of the law is the final step in legislation and until this takes place in the official organ (*Gesetzblatt*) the king is at liberty to withdraw his sanction.

In spite of the unusual opportunities and consequent temptations which, as we have seen, are afforded to the

<sup>1</sup> Westerkamp notes and deplors this reluctance of the chambers to take the initiative. "*Ueber die Reichsversammlung.*" 117-8.

<sup>2</sup> Schölze. "*Preussisches Staatsrecht.*" II, 21.

<sup>3</sup> *Ibid.* 1, 22.



king and his ministers to encroach upon the rights of the chambers, no adequate means of defence is provided against such unconstitutional action. There is no way of enforcing ministerial responsibility in Prussia, nor can the courts, as in this country, exercise a check upon the other factors in the government when they exceed their legitimate powers. While the constitution declares in general terms that the ministers shall be responsible to the chambers for their action these vague provisions have never been elaborated so as to render the forms of impeachment and trial nor the nature of the punishment sufficiently definite as to permit of actual application. The importance of this matter is realized by Prussian statesmen, and several unsuccessful efforts have been made to effect the necessary legislation which already exists in other German states. "Consequently, the anomaly continues to exist in Prussia of ministerial responsibility solemnly enunciated in the constitution, the character of the responsibility, the accuser and the court specified and at the same time a complete lack of any legal means by which the representatives of the people can protect even the constitution itself against the most flagrant violations and the most dangerous attacks."<sup>1</sup>

The courts, as has already been said, do not serve as a check upon unconstitutional legislation, as they do in the United States. The constitution expressly provides that "laws and ordinances shall be binding when published in the form prescribed by law. The examination of the validity of properly promulgated royal ordinances shall not be within the competence of the government authorities [including the courts,] but of the chambers solely." (Art. 106.) While this appeals

<sup>1</sup> Schulze, "*Preussisches Staatsrecht*," II., 694 and note.

naturally to a citizen of the United States as an anomalous condition, it ought not to be forgotten that our system is, from one point of view, not less anomalous than that of Prussia. Our courts possess what would in Germany or France be regarded as a power of legislation, in flagrant violation of the principle, so widely accepted among us, of the separation of powers. This attractive subject is susceptible of a much more thorough consideration than it has so far received.

In conclusion it will be observed that in many points the state law of Prussia has been greatly modified, or at least superseded by Federal legislation. The establishment of the strong union in 1866 and its extension in 1870-71 has produced great changes in the constitutions and laws of the individual states. Great fields of legislation have been occupied by the Federal power, and much has already been done to unify the laws of Germany.

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An extended bibliography would be superfluous, as the student wishing to make a careful study of the Prussian constitutional law will naturally turn to the German treatises, where ample information in regard to the authorities is given.

I am under special obligation to Schulze's excellent "*Preussisches Staatsrecht*" (Zweite Auflage, 2 Bde., Leipzig, 1888), and von Rönne's great work "*Das Staatsrecht der Preussischen Monarchie*" (Vierte Auflage, 4 Bde., Leipzig, 1881-84). The most useful of the works upon the subject for the American student is probably Dr. Adolf Arndt's "*Die Verfassungs-Urkunde für den Preussischen Staat nebst Ergänzungs- und Ausführungs-Gesetzen, mit Einleitung, Kommentar und Sachregister.*" (Zweite, stark vermehrte und verbesserte

Auflage, Berlin, 1889.) This contains a vast amount of useful elucidation in the form of notes appended to the text of the instrument itself, as well as the text of the numerous laws supplementing the constitution and without which that instrument is scarcely intelligible. Von Sybel in his great work upon the "Founding of the German Empire," sheds much light upon the constitutional tendencies in Prussia after the granting of the constitution.

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# THE CONSTITUTION OF PRUSSIA

OF THE THIRTY-FIRST OF JANUARY, 1850.

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We, Frederick William, by grace of God,<sup>1</sup> King of Prussia, etc., hereby declare and make known that, whereas the constitution of the Prussian State, promulgated by us on the fifth of December, 1848, subject to revision by the ordinary process of legislation, and accepted<sup>2</sup> by both chambers of our kingdom, has been submitted to the prescribed revision, we have finally established the provisions of that constitution in agreement with both chambers.

We, therefore, promulgate the same as a fundamental law<sup>3</sup> of the state, as follows:

<sup>1</sup> The political powers of the king of Prussia are not delegated to him by the nation. He possesses them in his own right. "By the grace of God" indicates a theory opposed to that, for example, of the Belgian constitution, or of the French constitution of 1791, which regards the sovereignty as vested fundamentally in the nation.

<sup>2</sup> The ratification by the chambers of the draft submitted by the king was, of course, legally unnecessary, and is mentioned in the preamble simply from political motives in order to give the benefit of popular approval to a really "octroyed" constitution. The constitution, as issued by the king in 1848, was the decree of an absolute monarch; the simple declaration of whose will was law. (See Introduction, pp. 17, 18 and 19.)

<sup>3</sup> The conception of the Prussian constitution as the "fundamental law of the state" is that no act of the state may run counter to its provisions. But when the constitution makes no provision for the exercise of the power of the state, as very frequently happens, former laws remain in force. The constitution does not therefore enumerate all the powers of the state, as does ours, nor does it furnish the basis of the royal prerogative. As Arndt expresses it, "It was not the constitution which created the royal power in Prussia, but the royal power which created the constitution." (*Die Verfassungs-Urkunde*, Zweite Aufl., p. 46.)

## TITLE I.

## THE TERRITORY OF THE STATE.

ARTICLE 1. All parts of the monarchy in its present extent form the territory of the Prussian State.

ART. 2. The boundaries of this territory can only be altered by law.

## TITLE II.

THE RIGHTS OF PRUSSIAN<sup>1</sup>.

ART. 3. The constitution and the law<sup>2</sup> determine under what conditions the quality and rights of a Prussian citizen may be acquired, exercised or forfeited.

ART. 4. All Prussians shall be equal before the law. Class privileges shall not be permitted. Public offices, subject to the conditions imposed by law, shall be uniformly open to all who are competent to hold them.

ART. 5. Personal freedom is guaranteed. The forms and conditions under which any limitation thereof, especially arrest, shall be permissible, shall be determined by law.

<sup>1</sup> About forty of the one hundred and eleven permanent articles of the Prussian constitution relate explicitly to the rights of the Prussian citizen. The attempts to formulate the fundamental and inalienable rights of the individual originated undoubtedly in a desire to limit the arbitrary power of the monarch. Beginning in England, these reached their extreme phase in the Declaration of the Rights of Man of 1789, and in the succeeding republican constitutions drawn up from time to time in France. These provisions suggest the "Bills of Rights" of our earliest State constitutions and the first ten amendments to the Federal constitution. The violent jealousy of government, which has formed from the first one of the most characteristic traits of our political make-up, led us to seize eagerly upon this expedient, and turn it first against the apprehended encroachments of the State governments upon the individual and then apply it in the case of the Federal government as a protection to the rights both of State and individual.

<sup>2</sup> In this, as in a number of other instances, the newer Federal law supplants the provisions of the State constitutions. Although citizenship in the German empire is dependent on and inseparable from citizenship in an individual state, this matter is carefully regulated by the Federal law of June 1, 1870. (The text of this law is reprinted by Arndt. *Op. cit.*, p. 181.)

ART. 6. The domicile shall be inviolable. Intrusion and search therein, as well as the seizing of letters and papers, shall be allowed only in the manner and in the cases prescribed by law.

ART. 7. No one shall be deprived of his lawful judge. Exceptional tribunals and extraordinary commissions shall not be permitted.

ART. 8. Punishments shall not be prescribed or inflicted except according to law.

ART. 9. Property is inviolable. It shall only be taken or interfered with from considerations of public weal, and then only in a manner to be prescribed by law, and in return for a compensation to be previously determined. Even in urgent cases a preliminary valuation and compensation shall be made.

ART. 10. Civil death and confiscation of property,<sup>1</sup> as punishment, shall not be permitted.

ART. 11. Freedom of emigration can only be limited by the state, with view to military service. Migration fees shall not be levied.

ART. 12. Freedom of religious confession, of association in religious societies (Art. 30 and 31), and of the common exercise of religion in private and public, is guaranteed. The enjoyment of civil and political rights shall not be dependent upon religious belief. But the exercise of religious liberty shall not be permitted to interfere with the civil or political duties of the citizen.

ART. 13. Religious and ecclesiastical associations,

<sup>1</sup> Civil death is the exclusion from the fundamental rights of having births, marriages and deaths the subject of legal record. For example, the Huguenots were deprived of their civil status by the revocation of the Edict of Nantes. Their marriages were, from a legal standpoint, simple concubinage, and their children illegitimate. Nor could they bequeath or inherit property. Confiscation of individual articles is not excluded by this clause. Moreover, the Federal law provides for confiscation as a punishment in case of high treason and the neglect of the duty of military service. (S. G. B., §§ 93 and 140.)



which have no corporate rights, can only acquire those rights by special laws.

ART. 14. The Christian religion shall be taken as the basis of those state institutions which are connected with the exercise of religion without prejudice to the religious liberty guaranteed by Article 12.

ART. 15, 16 and 18.<sup>1</sup> [Repealed June 18, 1875.]

ART. 17. A special law shall be enacted relating to church patronage and to the conditions on which it may be abolished.

ART. 19. Civil marriage<sup>2</sup> shall be introduced in accordance with a special law which shall also regulate the keeping of a civil register.

ART. 20.<sup>3</sup> Science and its teachings shall be free.<sup>4</sup>

<sup>1</sup> The articles in their original form provided that the Protestant and Roman Catholic churches, as well as all other religious societies, should regulate their own affairs in an independent manner. Moreover, intercourse between religious societies and their superiors was to be unobstructed, and the publication of church ordinances subjected only to such restrictions as were imposed upon other publications. The abrogation of these articles was the outcome of the long conflict between Church and state (*Kulturkampf*) in Prussia which followed the Council of the Vatican of 1870. The ministry found themselves greatly hampered in their struggle with the church authorities by the provisions of the constitution, which their opponents urged were being violated when any stringent measures were taken.

<sup>2</sup> The question exactly what gives legal validity to the performance of the marriage ceremony has naturally been one of the utmost importance in countries where the claims of the Catholic Church and of the state conflicted. Marriage is one of the sacraments of the Roman Church and the refusal of its ministers to perform or recognize the marriage of individuals obnoxious to them has been a fruitful source of discord between them and the civil authorities. The law here provided for was not passed until 1874, and was almost immediately superseded by the Federal law of February 6, 1875, which also regulated the maintenance of the civil register or public record of births, marriages and deaths.

<sup>3</sup> Articles 20-26 are regarded by the best authorities as practically suspended by Article 112, which provides that educational matters shall continue to be regulated by the existing Prussian laws until the general legislation foreseen by Article 26 be carried out. No such general law has been passed however. (See Löning "*Verwaltungsrecht*," 738 and 752.)

<sup>4</sup> To realize the significance of this article, one should consult the decree of the German Diet (September 20, 1819), which was, of course, binding for Prussia. A

ART. 21. The education of youth shall be adequately provided for by public schools. Parents and their representatives shall not leave their children or wards without that education prescribed in the public elementary schools (*Volksschulen*).

ART. 22. Every one shall be at liberty to give instruction, and establish institutions of learning, provided he shall have given proof, to the proper state authorities, of his moral, scientific and technical fitness.

ART. 23. All public and private educational institutions shall be under the supervision of authorities appointed by the state. Teachers in the public schools shall have the rights and duties of public officials.

ART. 24. In the establishment of public elementary schools, confessional differences shall be considered as far as possible.<sup>1</sup>

Religious instruction in the elementary schools shall be superintended by the religious organizations concerned.

The charge of the external affairs of the elementary schools shall belong to the community (*Gemeinde*). With the statutory co-operation of the community in the manner and to the extent determined by law, the State shall appoint the teachers in the public elementary schools from the number of those qualified.

ART. 25. The means for establishing, maintaining and enlarging the public elementary schools shall be

special official was designated for each university, who, in view of the much feared revolutionary plots, was "carefully to observe the spirit in which the university professors lectured," and to "exercise a salutary influence upon instruction, with a view to determining the future attitude of the youthful student." (*Provisorischer Beschluss über die in Ansehung der Universitäten zu ergreifenden Massregeln*; apud v. Meyer. *Corpus Juris Confoed. Ger.*)

<sup>1</sup> Gneist's view is the generally accepted one that the legal elementary school in Prussia is one in which religious instruction *must* be, and general instruction *must* not be sectarian. (See Arndt, *Op. cit.*, 75.)

provided by the communities, which shall, however, be assisted by the State in proven cases of pecuniary inability on the part of the community. The obligations of third parties, based on special legal titles, shall not be impaired.

The State shall accordingly guarantee to teachers in the elementary schools a steady income suitable to local circumstances.

In public elementary schools education shall be imparted free of charge.

ART. 26. A special law shall regulate all matters of education.

ART. 27. Every Prussian shall be entitled to express his opinion freely by word, writing, print, or pictorial representation.

Censorship of the press may not be introduced; and no other restriction on the freedom of the press shall be imposed except by law.<sup>1</sup>

ART. 28. Offences committed by word, writing, print, or pictorial representation shall be punished in accordance with the general penal code.<sup>2</sup>

ART. 29.<sup>3</sup> All Prussians shall be entitled to meet in

<sup>1</sup> Censorship differs from other restrictions in requiring the *previous* submission of contemplated publications to stated government officials whose sanction is required before the publication can legally appear. The results of this system have been uniformly evil and unpopular. Legislation in regard to the press is by the Imperial constitution vested in the Federal government, which May 7, 1874, issued a press law.

<sup>2</sup> Superseded by the Federal law just mentioned (note to Art. 27), which, in the case of periodical publications, regards the "responsible editor" as punishable if the law is violated, unless special circumstances exclude the presumption of his guilt.

<sup>3</sup> Articles 27, 29 and 30, which regulate respectively the freedom of the press, the right of peaceful assembling and of association, are all modified by the Federal law of September 21, 1878, which prohibits all publications, meetings and associations "in which social-democratic, socialistic or communistic efforts directed toward the destruction of the existing political or social order are apparent."



closed rooms, peacefully and unarmed, without previous permission from the authorities.

But this provision does not apply to open-air meetings, which shall be subject to whatever restrictions the law may prescribe even with respect to previous permission from the authorities.

ART. 30. All Prussians shall have the right to form associations for such purposes as do not contravene the penal laws.

The law shall regulate with special regard to insuring the public security, the exercise of the right guaranteed by this and the preceding article (29).

Political associations may be subjected by law<sup>1</sup> to restrictions and temporary prohibitions.

ART. 31. The law shall determine the conditions on which corporate rights may be granted or refused.

ART. 32. The right of petition shall belong to all Prussians. Petitions under a collective name shall be permitted only to public authorities and corporations.

ART. 33. The privacy of the mails shall be inviolable. The necessary restrictions of this right, in cases of war and of criminal investigation, shall be determined by law.<sup>2</sup>

ART. 34. All Prussians are bound to military service. The extent and character of this duty shall be determined by law.<sup>3</sup>

<sup>1</sup> "Law" is here contrasted with "*ordinance*," as in other instances, *e.g.*, Article 27. (See Introduction, p 20.)

<sup>2</sup> This matter is now naturally regulated by the Federal law. The opening of letters has often been resorted to by tyrannical governments to incriminate individuals or even to gratify the idle curiosity of the ruler, as under Louis XV. and Napoleon.

<sup>3</sup> Superseded by Article 57 of the Imperial constitution which reads, "Every German is bound to military service and can not be represented by a substitute."

ART. 35. The army shall include all divisions of the standing army and the militia (*Landwehr*). In the event of war, the king can call out the reserve militia (*Landsturm*) in accordance with the law.

ART. 36. The military power can only be employed for the suppression of internal troubles, and the execution of the laws, in the cases and manner specified by statute, and on the requisition of the civil authorities. In the latter respect exceptions may be made by law.

ART. 37. The court-martial of the army shall be restricted to penal matters, and shall be regulated by law. Provisions with regard to military discipline shall remain the subject of special ordinances.

ART. 38. The military forces shall not deliberate whether in active service or not; nor shall they otherwise assemble than when commanded to do so. Thus assemblies and meetings of the militia (*Landwehr*) for the purpose of discussing military arrangements, commands and ordinances, are forbidden, even when they are not in active service.

ART. 39. The provisions of Arts. 5, 6, 29, 30 and 32 shall apply to the army only in so far as they do not conflict with military laws and rules of discipline.

Although the Imperial constitution (Art. 61) adopted out and out the Prussian military legislation, this has since been largely supplanted by Federal laws. These provide that the period of military duty shall extend from the seventeenth to the close of the forty-second year. The law requires twelve years of service in the army from the twentieth year as follows: Three years with the standard, four years in the reserve and five in the militia (*Landwehr*). All subject to military duty between the ages of seventeen and forty-two who are *not* in the army constitute the *Landsturm*, a force which the Emperor may call out in case of invasion. The best account of the military law is to be found in "*Die Militär-gesetze des Deutschen Reiches mit Erläuterungen*" (second edition, Berlin, 1888), issued under the auspices of the Imperial ministry of war. Laband treats this subject at great length in the second edition of his Constitutional Law. (II, pp. 497-838.) Cf. also works of Schulze, v. Rönne, Bornhak, etc.

ART. 40.<sup>1</sup> [As amended by the law of June 5, 1852.]

Art. 2. The establishment of feudal tenures is forbidden.

The feudal bond (*Lehnsverband*) still existing with respect to surviving fiefs shall be dissolved by law.

ART. 41. [As amended by the law of June 5, 1852.]

Art. 3. The provisions of Art. 2 do not apply to crown fiefs or to fiefs situated in other countries.

ART. 42.<sup>2</sup> [As amended April 14, 1856.]

In accordance with special laws already passed the following are abolished without compensation:

1. The right to exercise or delegate judicial power, connected with the possession of certain lands, together with the fees and exemptions accruing from this right.

2. The obligations arising from manorial or patriarchal jurisdiction, from serfage, and from former tax and industrial organization. (*Steuer-und Gewerbe-Verfassung.*)

With these rights are also abolished the counter-services and burdens devolving upon those enjoying these rights.

<sup>1</sup> Articles 40 and 41 of the original text were abolished by the law of June 6, 1852, and Articles 2 and 3 of that law were substituted for them. This was to secure the maintenance of entails which had been abolished by the articles as they originally stood.

<sup>2</sup> This article is given as amended by the law April 14, 1856, with the purpose of maintaining certain feudal arrangements which seemed to the reactionary spirits of the period to have been too rudely destroyed. For example, the article as it originally stood *guaranteed* the right of division of estates and of the commutation of feudal dues. It has not been deemed necessary, in view of the difficulty of finding intelligible English equivalents for the technical terms of the Prussian feudal law, to reproduce the original articles.



## TITLE III.

THE KING.<sup>1</sup>

ART. 43. The person of the king shall be inviolable.<sup>2</sup>

ART. 44. The king's ministers shall be responsible. All official acts of the king shall require for their validity the counter-signature of a minister, who shall thereby assume responsibility for them.<sup>3</sup>

<sup>1</sup> (See Introduction, pp. 16 *et seq.*)

<sup>2</sup> The king can do no wrong, according to German as well as English law. He is not legally responsible for his conduct, for there is no power *above* him which can call him to account. Even if he violates the constitution, "he is responsible to God alone and to his conscience, for the king has no judge except history." (v. Rönne, *Op. cit.*, I, 153.)

<sup>3</sup> The responsibility is as yet *political* only. The ministers are not subject to criminal prosecution from their governmental acts, owing to the fact that no law has been passed defining the offenses or penalties. (See Art. 61.) The position of the ministers is thus defined in a declaratory rescript issued by the German Emperor and King of Prussia in 1882: "The right of the king to conduct the government and policy of Prussia according to his own direction is limited by the constitution (of January 31, 1850), but not abolished. The government acts (documentary) of the king require the counter-signature of a minister, and as was also the case before the constitution was issued, have to be represented by the king's ministers; but they nevertheless remain government acts of the king, from whose decisions they result, and who thereby constitutionally expresses his will and pleasure. It is therefore not admissible, and leads to obscuration of the constitutional rights of the king, when their exercise is so spoken of as if they emanated from the ministers for the time being responsible for them, and not from the king himself. The constitution of Prussia is the expression of the monarchical tradition of this country, whose development is based on the living and actual relations of the king to the people. These relations, moreover, do not admit of being transferred to the ministers appointed by the king, for they attach to the person of the king. Their preservation, too, is a political necessity for Prussia. It is, therefore, my will that both in Prussia and in the legislative bodies of the empire (*Reich*) there may be no doubt left as to my own constitutional right and that of my successors personally to conduct the policy of my government; and that the theory shall always be rejected that the (doctrine of the) inviolability of the person of the king, which has always existed in Prussia, and is enunciated by Article 43 of the constitution, or the necessity of a responsible counter-signature of my government acts, deprives them of the character of royal and independent decisions. It is the duty of my ministers to support my constitutional rights by protecting them from doubt and obscuration, and I expect the same from all State

ART. 45. The executive power shall belong to the king alone. He shall appoint and dismiss the ministers.<sup>1</sup> He shall order the promulgation of the laws and issue the necessary ordinances for their execution.

ART. 46. The king shall be commander-in-chief of the army.

ART. 47. The king shall fill all posts in the army, as well as in other branches of the public service, in so far as it is not otherwise ordained by law.<sup>2</sup>

ART. 48. The king shall have power to declare war and make peace,<sup>3</sup> and to conclude other treaties with foreign governments. The latter require for their validity the assent of the chambers in so far as they are commercial treaties, or impose burdens on the State, or obligations on the individual subjects.

officials (*Beamten*) who have taken the official oath to me. I am far from wishing to impair the freedom of elections, but in the case of those officials who are intrusted with the execution of my government acts, and may, therefore, in conforming with the disciplinary law forfeit their situations, the duty solemnly undertaken by their oath of service also applies to the representation by them of the policy of my government during election times. The faithful performance of this duty I shall thankfully acknowledge, and I expect from all officials that, in view of their oath of allegiance, they will refrain from all agitation against my government even during elections." Berlin, January 4, 1882. Wilhelm. von Bismarck. To the Ministry of State.

<sup>1</sup> The monarch is not, for example, bound by the wishes of the majority of the diet in choosing his ministers.

<sup>2</sup> No law depriving the king of this power of appointing government officials has ever been passed. The officials are entirely and solely dependent upon the monarch, the supreme director of the administrative system, for their rank and salary. Bismarck once illustrated this in the case of the Empire in an address before the Reichstag as follows: If you stop my pay (*i. e.*, make no appropriation) I will simply sue in the courts, and the Empire will be forced, so long as I remain Imperial Chancellor, to continue my salary. (*Sten. Bericht*, December 1, 1885, cited by Arndt, 99.)

<sup>3</sup> Since the establishment of the German Federation, the King of Prussia no longer has the power to declare war or conclude peace, nor can treaties (except extradition treaties) be concluded by the separate states, all these functions being assumed by the Empire. (See Art. II of Imperial Constitution.)

ART. 49. The king shall have power to pardon, and to mitigate punishment.

But in favor of a minister condemned for his official acts, this right can only be exercised on the motion of that chamber whence his impeachment emanated.

Only in virtue of a special law can the king suppress inquiries already instituted.

ART. 50. The king may confer orders and other distinctions, so far as they do not carry privileges with them.

He shall exercise the right of coinage in accordance with the law.<sup>1</sup>

ART. 51. The king shall convoke the chambers, and close their sessions. He may dissolve the two chambers together or either one.<sup>2</sup> In such a case, however, the electors shall be assembled within a period of sixty days, and the chambers summoned within a period of ninety days respectively after the dissolution.

ART. 52. The king shall have power to adjourn the chambers. But without their assent this adjournment may not exceed the space of thirty days, nor be repeated during the same session.

ART. 53. The crown is, in accordance with the laws of the royal family,<sup>3</sup> hereditary in the male line of

<sup>1</sup> Article 4 of the Imperial Constitution assumes for the Empire the legislation in regard to coinage.

<sup>2</sup> The Upper Chamber or House of Lords in Prussia is, in virtue of the law of July 5, 1853 (see note to Art. 65-9), no longer an elective body, consequently the provisions for dissolution apply only to the House of Representatives. The upper house must, however, according to the constitution (Art. 77), be prorogued in case the lower house is dissolved. The number of possible dissolutions is unlimited. There seems to be no constitutional provision which would prevent the king from dissolving a newly elected chamber before it came together.

<sup>3</sup> The laws (*Hausgesetzen*) here referred to were rules established by the members or branches of the family reigning over the various Prussian possessions at a time when the idea of the state as distinguished from the private property of the



that house following the law of primogeniture and agnatic<sup>1</sup> succession.

ART. 54. The king shall attain his majority on completing his eighteenth year.<sup>2</sup>

In presence of the united chambers he shall take the oath to observe the constitution of the monarchy steadfastly and inviolably, and to rule in accordance with it and the laws.

ART. 55. Without the consent of both chambers the king cannot also be ruler of foreign realms.

ART. 56. If the king is a minor, or is otherwise permanently prevented from ruling himself, the regency shall be undertaken by that agnate (Art. 53), who has attained his majority and stands next in succession to the crown. He shall immediately convoke the chambers, which, in united session, shall decide as to the necessity of the regency.

ART. 57. If there be no agnate of age, and if no legal provision has previously been made for such a contingency, the Ministry of State shall convoke the chambers, which shall then elect a regent in joint session.

prince was first making its appearance. These laws, of which the earliest was the famous will of Albrecht Achilles (1473), established three great principles: (1) The unconditional preference to be given to male heirs; (2) the inalienability, and (3) the indivisibility of the princely possessions. The last was the most difficult to carry out, as it had been customary to divide the lands among the heirs like personal effects. An example of the result of this custom can be seen to-day in the sporadic possessions of the Thuringian princes. How the comparatively insignificant Electorate of Brandenburg, which came into the possession of the House of Hohenzollern in 1415, has gradually become the kingdom of Prussia, over which William II. rules, is best seen from the excellent series of maps in Droysen's "*Historischer Handatlas*," pp. 52-53.

<sup>1</sup> Latin, *agnatus*, descended from the father's side, as distinguished from *cognatus*. No woman can ascend the Prussian throne so long as any male descendant of the founder of the family, capable of occupying the throne, survives. In this the German law differs from that of England and Spain for example.

<sup>2</sup> This corresponds to the older Prussian law, and even to the Golden Bull of 1346.

And until the assumption of the regency by him, the Ministry of State shall conduct the government.

ART. 58. The regent shall exercise the powers vested in the king in the name of the latter. After the establishment of the regency, he shall take the oath before the chambers in joint session to observe the constitution of the monarchy steadfastly and inviolably, and to rule in accordance with it and the laws.

Until this oath is taken, the whole Ministry of State for the time being shall remain responsible for all acts of the government.

ART. 59. The annuity drawn from the income of the forests and domains and set apart by the law of January 17, 1820, shall remain attached to the entailed fund of the crown.<sup>1</sup>

#### TITLE IV.

##### THE MINISTERS.<sup>2</sup>

ART. 60. The ministers, as well as the State officials appointed to represent them, shall have access to each chamber, and must at all times be heard upon their own request.<sup>3</sup>

<sup>1</sup> The fund here mentioned resembles essentially the civil list of England. It has been several times increased by law, and now amounts to 15,719,396 marks, or toward \$4,000,000. In addition to this the king and members of the royal family have large private possessions and private sources of incomes which do not come within the purview of the public law.

<sup>2</sup> There are nine ministerial departments in Prussia, viz: (1) Foreign Affairs, (2) War and the Navy, (3) Justice, (4) Finances, (5) the Interior (these five were established in 1810), (6) Affairs of Church, Education and Public Health (*Medirinal-angelegenheiten*), (7) Trade and Industry, (8) Agriculture, Domains and Forests, (9) Public Works. The ministers are formed into a regularly constituted council for the consideration of the general administrative policy and of other important matters. This ministerial council is recognized by the constitution in Articles 57, 58, 63 and 111. The monarch and the ministers constitute the "government" (*Regierung*), and form the guiding power in the administration of the State.

<sup>3</sup> This provision illustrates the relation between the government and the representative bodies. When a representative of the ministry appears in one of the

Each chamber can demand the presence of the ministers.<sup>1</sup>

The ministers shall be entitled to vote in one or other of the chambers only when members of it.

ART. 61. On the resolution of one chamber the ministers may be impeached for the crime of violating the constitution, for bribery and for treason. The decision of such cases shall lie with the supreme tribunal of the monarchy sitting as one body. As long as two Supreme Courts exist, they shall be united for the above purpose.

Further details as to matters of responsibility, procedure and punishment, are hereby reserved for a special law.<sup>2</sup>

## TITLE V.

### THE CHAMBERS.

ART. 62. The legislative power shall be exercised in common by the king and the two chambers.

Every law shall require the assent of the king and of the two chambers.<sup>3</sup>

Money bills and the budgets shall first be laid before the second chamber; the budgets shall either be accepted or rejected as a whole by the first chamber.

ART. 63. In the event only of its being urgently necessary to maintain public security, or deal with an emergency, the king may suspend the chambers and ask to be heard, even if the debate has been formally closed, it must be reopened. The monarch and ministry deny the right of the speaker of either of the chambers to call representatives of the government to order for violent language, and in no case can they be deprived of the floor.

<sup>1</sup> When called before the chambers the ministers are not compelled, except in definite cases (as for example, that provided for in Art. 81), to give the required information.

<sup>2</sup> Until the passage of this law ministerial responsibility continues to be a dead letter in Prussia. (See Introduction, pp. 22-3 and Note to Art. 44.)

<sup>3</sup> On the relation of the king to the chambers in legislation, see Introduction, pp. 17 *et seq.*



unusual state of distress when the chambers are not in session, ordinances, which do not contravene the constitution, may be issued with the force of the law, on the responsibility of the whole ministry. But these must be immediately laid before the chambers for approval at their next meeting.<sup>1</sup>

ART. 64. The king, as well as each chamber, shall have the right of proposing laws. Bills that have been rejected by one of the chambers, or by the king, cannot be re-introduced during the same session.

ARTS. 65-69. [As amended May 7, 1853.]<sup>2</sup> The first chamber shall be formed by royal ordinance<sup>3</sup> (*Anord-*

<sup>1</sup>The refusal of the chambers to ratify such provisional laws does not invalidate them. They remain in force until the king, as he is constitutionally bound to do, revokes them.

<sup>2</sup>The original articles provided for an upper house consisting of certain members by right of birth, others appointed by the king for life, and lastly one hundred and twenty elective members chosen by the richer classes and the cities. These latter were to hold their seats six years.

An account of the composition of the present upper house will be found in the following note.

<sup>3</sup>This delegation to the king of the power to constitute the upper house as he might choose without even consulting the representatives of the people is a striking example of the reaction during the latter years of the reign of Frederick William IV. The chief provisions of the ordinance, which the king issued October 12, 1854, regulating the membership of the upper house, are as follows:

The House of Lords consists of hereditary members and of members appointed for life by the king. The first includes the Princes of the Royal Family, the members of the former Holy Roman Empire holding possessions within the limits of the Prussian State who were recognized by the Act of Confederation (*Bundesakt*) of 1815, those lords and gentlemen summoned to the United Diet in 1847, as well as any others whom the king may from time to time designate.

The king is to choose the life members from (a) the nominees of certain specified corporations, and (b) such persons as excite especial royal confidence. Class (a) are nominated by cathedral chapters, provincial organizations of the nobility and unions of possessors of great landed estates, by the universities and by such cities as the king may designate.

Although the king is quite free to accept or reject these nominations and may be said in accordance with the provisions of the constitution really to choose them the system of nominations as provided for in the ordinance certainly violates

nung) which can only be altered by a law to be issued with the approval of the chambers.

The first chamber shall be composed of members appointed by the king, with the right of hereditary transmission, or only for life.

ART. 69. [As amended April 30, 1851; May 17, 1867, and June 23, 1876.] The second chamber shall consist of four hundred and thirty-three members.<sup>1</sup>

The electoral districts shall be determined by law. They shall consist of one or more circles (*Kreisen*), or of one or more of the larger towns.<sup>2</sup>

ART. 70. Every Prussian who has completed his twenty-fifth year,<sup>3</sup> and is qualified to take part in the elections of the commune where he is domiciled, is entitled to act as a primary voter (*Urwähler*).

One entitled to take part in the election of different

the constitution. The members selected are not life members, because they cease to be members of the House of Lords so soon as they lose the status in virtue of which they were nominated. If a professor representing a university is called to another position, if a magistrate representing a city loses his office, if one nominated by the landed gentry sells his property his seat in the chamber is looked upon as vacated. The king in drawing up the ordinance failed to observe the restrictions imposed by Articles 65-68 (in their amended form), for these only permit hereditary and life members in the upper house. Cf. Schulze, 2te aufl. 1, 584 note.

Finally it is noticeable that the king is in no way limited in respect to the number of members he may call to the upper house. (The text of the ordinance issued by the king October 12, 1854, establishing the composition of the House of Lords, is given by Arndt, 216 *et seq.*, as well as a list of the forty-four towns, which have been designated by the king to make nominations.)

<sup>1</sup> The original number of 350 members was in 1851 increased by two for the annexed Province of Hohenzollern, in 1867 by eighty for the newly annexed territory of Hanover, Nassau, etc., and finally by one in 1876 for Lauenburg.

<sup>2</sup> The law of June 27, 1860, with various later modifications, establishes the electoral districts (text in Arndt, 255). The districts, as a rule, return two members, but occasionally three, and frequently but one. The legislation of 1884-85 redistricted the Provinces of Hanover and Hesse-Nassau, where (with two exceptions), each district elects a single deputy.

<sup>3</sup> The ordinance of 1849 says twenty-four years. (See next note.)

communes, can only exercise his right as primary voter in one commune.

ART. 71. For every 250 souls of the population, one elector (*Wahlmann*) shall be chosen. The primary voters shall be divided into three classes in proportion to the amount of direct taxes they pay, and in such a manner as that each class shall represent a third of the sum total of the taxes paid by the primary voters.

This sum total shall be reckoned :

(a) By communes, in case the commune forms of itself a primary electoral district.

(b) By districts (*Bezirke*), in case the primary electoral district consists of several communes.

The first class shall consist of those primary voters, highest in the scale of taxation, who, taken together, pay a third of the total.

The second class shall consist of those primary voters, next highest in the scale, whose taxes form a second third of the whole.

The third class shall be made up of the remaining taxpayers (lowest in the scale) who contribute the other third of the whole.

Each class shall vote apart, and shall choose each a third of the electors.

These classes may be divided into several voting sections, none of which, however, must include more than 500 primary voters.

The electors shall be chosen by each class from the number of the primary voters in their district, without regard to the classes.

ART. 72. The deputies shall be chosen by the electors.

Further details relating to the elections shall be determined by an electoral law,<sup>1</sup> which shall also make the

<sup>1</sup> Article 115 provides that until this proposed law is passed the ordinance of May 5, 1849 (see Introduction, p. 13), regulating the election of members to the



necessary provision for those cities where flour and meat duties are levied instead of direct taxes.

ART. 73. [As amended May 22, 1888.] The legislative period of the second chamber shall be five years.<sup>1</sup>

ART. 74. [As amended March 27, 1872.] Every Prussian is eligible as deputy to the second chamber who has completed his thirtieth year, who has not forfeited his civil rights in consequence of a valid judicial sentence, and who has been a Prussian subject for three years.<sup>2</sup>

The president and members of the supreme chamber of accounts cannot sit in either house of the diet (*Landtag*).<sup>3</sup>

ART. 75. After the lapse of a legislative period the chambers shall be elected anew, and the same in the event of dissolution. In both cases previous members are re-eligible.

ART. 76. [As amended May 18, 1857.] Both houses of the diet of the kingdom shall be regularly convened

lower house shall remain in force. No such general law has been passed, but the provisions of the constitution, so far as they go, are nearly identical with those of the ordinance of 1849, and the succeeding modifications of this which have from time to time been made. The text of this ordinance, with later legislation, including the law of June 29, 1893, will be found in Arndt, 225 and 321. Each primary election district must choose at least three electors, but may not be so large as to choose more than six. The number chosen by a primary district must, if possible, be divisible by three. When there is one odd elector he is chosen by the second class, if two, one is chosen by the first and one by the third class. (Ordinance of 1849, Sec. 14.) The voting is *viva voce*, both in choosing of electors and in the selection of the deputies themselves. The third class of voters contains not only those voters who pay the smallest taxes, but those who pay no tax. The electors must belong to the electoral district where they are chosen, but need not belong to the class electing them, but the deputies need *not* be residents of the district when they are elected.

<sup>1</sup> Originally three years.

<sup>2</sup> The ordinance of 1849, above referred to, establishes *one* year.

<sup>3</sup> This last clause was wanting in the original form.

by the king in the period from the beginning of November in each year till the middle of the following January, and otherwise as often as circumstances may require.<sup>1</sup>

ART. 77. The chambers shall be opened and closed by the king in person, or by a minister appointed by him for this purpose in a joint session of the chambers.

Both chambers shall be simultaneously convened, opened, adjourned and closed. If one chamber shall be dissolved, the other shall be at the same time prorogued.

ART. 78. Each chamber shall examine the credentials of its members and decide thereupon. It shall regulate its own order of business and discipline by its rule of order, and elect its president, vice-presidents and secretaries.

Members of the public service shall require no special permit (*Urlaub*) in order to enter the chamber.

If a member of the chamber shall accept a salaried office of the State, or is promoted in the service of the State to a post involving higher rank or increase of salary, he shall lose his seat and vote in the chamber, and can only recover his seat in it by re-election.

No one can be a member of both chambers.

ART. 79. The sittings of both chambers shall be public. On the motion of its president, or of ten members, each chamber may meet in private session at which the first motion taken up shall be the question of continuing the secrecy of the session.

ART. 80. [As amended May 30, 1855.] The chamber of deputies cannot take action unless there is a majority of the legal number of its members present. Each chamber shall take action by absolute majority of votes,

<sup>1</sup> This article originally read: "The chambers shall be regularly assembled by the king in the month of November of each year, and otherwise as often as circumstances demand."

subject to any exceptions that may be determined by the rules of order for elections.

The house of lords shall not take action unless at least sixty members of the house holding seats and voting in accordance with the provisions of the ordinance of October 12, 1854, shall be present.<sup>1</sup>

ART. 81. Each chamber shall have the separate right of presenting addresses to the king.

No one may in person present to the chambers, or to one of them a petition or address.<sup>2</sup>

Each chamber can transmit to the ministers the communications made to it, and demand information of them in regard to any grievances thus presented.

ART. 82. Each chamber shall be entitled to appoint for its own information commissions of inquiry into facts.

ART. 83. The members of both chambers are representatives of the whole people.<sup>3</sup> They shall vote according to their own convictions, and shall not be bound by commissions or instructions.

ART. 84. For their votes in the chamber they can never be called to account, and for the opinion they express therein they can only be called to account within the chamber itself, in virtue of the rules of order.

No member of either chamber can, without its assent, be had up for examination, or be arrested during the parliamentary session for any penal offence, unless he be taken in the act, or in the course of the following day.

This article originally provided the same rules for a quorum in both of the chambers.

<sup>1</sup> The dangerous results of permitting outsiders to present petitions in person is now more fully illustrated than by the successive invasions of the legislative and constituent assemblies during the French Revolution by the mob of Paris.

<sup>2</sup> In the former assemblies of estates each group of deputies had been regarded as representing exclusively their particular social caste and not the nation or province as a whole. (See introduction, p. 9.)



Assent shall alike be necessary in the case of arrest for debt.

All criminal proceedings against a member of the chamber, and all arrests for preliminary examination or civil arrest, shall be suspended during the parliamentary session on demand from the chamber concerned.

ART. 85. The members of the second chamber shall receive out of the State treasury traveling expenses and a salary to be fixed by law.<sup>1</sup> Renunciation thereof shall be inadmissible.

## TITLE VI.

### THE JUDICIAL POWER.<sup>2</sup>

ART. 86. The judicial power shall be exercised in the name of the king, by independent tribunals subject to no other authority than that of the law.

Judgments shall be issued and executed in the name of the king.

ART. 87. The judges shall be appointed for life by the king, or in his name.

They can only be removed or temporarily suspended from office by judicial sentence, and for reasons previously prescribed by law. Temporary suspension from office, so far as it does not occur in consequence of a law, and involuntary transfer from one position to another, or to the superannuated list, can occur only from the causes and in accordance with the forms prescribed by law, and only in virtue of a judicial sentence.

<sup>1</sup> By the law of July 24, 1876, the salary of members is fixed at 15 marks or about \$3.57 a day. When traveling by rail the indemnification is 13 pf. per kilometre with 3 marks for expenses of starting for or leaving Berlin.

<sup>2</sup> Many of the provisions of this section have been rendered obsolete by the comprehensive Federal legislation, especially the statute regulating the courts of the empire. (*Gerichtsverfassungsgesetz*) of January 27, 1877, which only tolerates the regulation of the courts by state law when this is expressly permitted. (See Note to Art. 106.)

But these provisions do not apply to cases of transfer rendered necessary by changes in the organization of the courts or of their districts.

ART. 87 [added February 19, 1879]. In the formation of courts common to the territory of Prussia and to that of other Federal States, deviations from the provisions of Article 86, and of the first clause of Article 87, are permissible.

ART. 88.<sup>1</sup> [Abrogated April 30, 1856.]

ART. 89. The organization of the tribunals shall be determined by law.

ART. 90. To the judicial office only those shall be appointed who have qualified themselves for it as prescribed by law.

ART. 91. Courts for special classes of cases, and, in particular, tribunals for trade and industry, shall be established by statute in those places where local needs may require them.

The organization and jurisdiction of such courts, as well as their procedure and the appointment of their members, the special status of the latter, and the duration of their office, shall be determined by law.

ART. 92. In Prussia there shall be only one supreme tribunal.

ART. 93. The proceedings of the civil and criminal courts shall be public, but the public may be excluded by a publicly announced resolution of the court, when order or good morals may seem endangered (by their admittance).

In other cases publicity of proceedings can only be limited by law.

<sup>1</sup> This article provided that judges were to hold no other salaried public office.

ART. 94.<sup>1</sup> [As amended May 21, 1852.] In criminal cases the guilt of the accused shall be determined by jury-men, in so far as exceptions are not introduced by a law issued with the previous assent of the chambers. The formation of the jury-court shall be regulated by a law.

ART. 95. [As amended May 21, 1852.] By a law issued with the previous assent of the chambers, there may be established a special court, the jurisdiction whereof shall include the crimes of high treason, as well as those crimes against the internal and external security of the State, which may be assigned to it by law.

ART. 96. The jurisdiction of the courts and of the administrative authorities shall be determined by law. Conflicts of authority between the courts and the administrative authorities shall be settled by a tribunal indicated by law.<sup>2</sup>

ART. 97. A law shall determine the conditions on which public officials, civil and military, may be prosecuted, for wrongs committed by them in exceeding their functions. But the previous assent of superior officials shall not be required as a condition of bringing suit.<sup>3</sup>

<sup>1</sup> Articles 94 and 95, which in their original form provided for a somewhat more general application of trial by jury, are now both superseded by the Federal regulations.

<sup>2</sup> It can easily happen that the ordinary courts and the administrative authorities, which also exercise judicial functions, both claim the right to decide a certain case. In order to settle such disputes and establish in given instances just what belongs to the jurisdiction of the courts and what to that of the administrative organs, an impartial judge is necessary. A court for the special purpose of deciding conflicts of this kind, composed of members belonging partly to the judiciary and partly to the administration, was established by the law of August 1, 1879. (The text to be found in Arndt, 216.)

<sup>3</sup> What means to adopt in order to protect the individual citizen against the abuse of power on the part of the government officials, without, at the same time, interfering with and hampering the administration, is a problem which has received much attention in Prussia. The tendency in England and the United States is to protect the right of the citizen at any cost by allowing him to prosecute



## TITLE VII.

## PUBLIC OFFICIALS NOT BELONGING TO THE JUDICIAL CLASS.

ART. 98. The special legal status (*Rechtsverhältnisse*) of public officials, including advocates and solicitors (*Staatsanwälte*) not belonging to the judicial class shall be determined by a law which, without unduly restricting the government in the choice of its executive agents, shall secure to civil servants proper protection against arbitrary dismissal from their posts or deprivation of their pay.

## TITLE VIII.

## THE FINANCES.

ART. 99. All income and expenditures of the State shall be estimated in advance for every year,<sup>1</sup> and be incorporated in the budget.

The latter shall be annually fixed by a law.

ART. 100. Taxes and contributions to the public treasury shall be collected only in so far as they shall

offending officials like any private person accused of violating the law. In harmony with Napoleonic conceptions of the state it had been requisite in Prussia, until the constitution was introduced, to obtain the permission of the superior administrative officials before it was possible to instigate proceedings in the courts against an official accused of exceeding his power or of neglect of duty. While Art. 100 abolished this system, it did not prevent an administration jealous of interference from placing almost insurmountable obstacles in the way of a citizen who attempted to sue an offending government official. The Federal legislation has in this matter been salutary, but the existing law still provides that the superior administrative court (*Oberverwaltungsgericht*) must decide, before an official can be sued, whether he has really been guilty of exceeding his official power or of neglect of duty. (See the excellent discussion of this question in *Verfassungsgeschichte*.)

This condition was first observed in the year 1860, when the budget was actually completed before the beginning of the fiscal year (1861), to which it related. It has been repeatedly violated since. From 1862 to 1865 there was no budget agreed upon, and the government was conducted without appropriations.

have been included in the budget, or authorized by special laws.<sup>1</sup>

ART. 101. In the matter of taxes there shall be no privileges.

Existing tax-laws shall be subjected to a revision, and all such privileges abolished.

ART. 102. State and communal officers can levy fees only when authorized by law.

ART. 103. The contracting of loans for the State treasury can only be effected in virtue of a law; and the same holds good of guarantees involving a burden to the State.

ART. 104. Any violation of the provisions of the budget shall require subsequent approval by the chambers.

The accounts relating to the budget shall be examined and audited by the supreme chamber of accounts. The general budget accounts of every year, including the tabular view of the national debt shall, with the comments of the supreme chamber of accounts, be laid before the chambers for the purpose of discharging the government of responsibility.

A special law shall regulate the establishment and functions of the supreme chamber of accounts.<sup>2</sup>

## TITLE IX.

### THE COMMUNES, CIRCUITS, DISTRICTS, AND PROVINCIAL BODIES.

ART. 105. [As amended May 24, 1853.] The representation and administration of the communes, circuits and

<sup>1</sup> The provisions of Articles 99 and 100, which would seem to give the chambers a very complete control over the granting of taxes, are rendered almost nugatory in this respect by the highly anomalous Article 109, which provides that all existing taxes shall continue to be raised unless altered by law. The chambers have no constitutional right to omit existing taxes from the budget. These can only be abolished by a law requiring the sanction of the king. The result is that the control of the chambers is reduced to the right to grant or refuse to grant *new* taxes, or the augmentation of existing ones. (Cf. note on Article 109.)

<sup>2</sup> Such a law was passed March 27, 1872.

provinces of the Prussian State, shall be determined by special laws.<sup>1</sup>

#### GENERAL PROVISIONS.

ART. 106. Laws and ordinances shall be binding when published in the form prescribed by law.

The examination of the validity of properly promulgated royal ordinances shall not be within the competence of the government authorities (*Behörde*) but of the chambers solely.<sup>2</sup>

ART. 107. The constitution may be amended by the ordinary method of legislation, and such amendment shall merely require the usual absolute majority in each chamber on two divisions, between which there must elapse a period of at least twenty-one days.<sup>3</sup>

ART. 108. The members of both chambers, and State officials, shall take the oath of fealty and obedience to the king, and shall swear conscientiously to observe the constitution.

The army shall not take the oath to observe the constitution.

ART. 109. Existing taxes and dues shall continue to be raised; and all provisions of existing statute-books, single laws and ordinances, which do not contravene the

<sup>1</sup> This article was originally much longer, and established the general principles which were to be followed in the provincial and local organization.

<sup>2</sup> The "government officials" here mentioned include the *courts*. Although only ordinances are mentioned here the courts may not, as a matter of fact, consider the constitutionality of any law. This article illustrates the very different position of the courts in Prussia from that in our own country, where they may freely pronounce upon the constitutionality of laws, and thus exercise a check upon the legislative bodies. (See Introduction, p. 23.)

<sup>3</sup> Any law passed under the conditions enumerated in Article 107 is constitutional. It need not, so long as these conditions are fulfilled, be called *explicitly* an amendment to the constitution, no matter how radically it interferes with the provisions of that document.



present constitution, shall remain in force until altered by law.<sup>1</sup>

ART. 110. All administrative authorities holding appointments in virtue of existing laws shall continue their activity until the issue of organic laws affecting them.

ART. 111. In the event of war or revolution, and pressing danger to public security therefrom ensuing, Articles 5, 6, 7, 27, 28, 29, 30 and 36 of the constitution may be suspended for a certain time and in certain districts. The details shall be determined by law.

#### TEMPORARY PROVISIONS.

ART. 112. Until the issue of the law contemplated in Article 26, educational matters shall be governed by the laws at present in force.

ART. 113. Prior to the revision of the criminal law, a special law will deal with offences committed by word, writing, print or pictorial representation.<sup>2</sup>

ART. 114.<sup>3</sup> [Repealed April 14, 1856.]

ART. 115. Until the issue of the electoral law contemplated in Article 72, the ordinance of the thirtieth of May, 1849, touching the election of deputies to the second chamber, shall remain in force.<sup>4</sup>

ART. 116. The two supreme tribunals now existing

<sup>1</sup> The natural inference would be that this article which contradicts, and to a great extent nullifies Article 100, was meant to be simply a *temporal* provision, which should for the time being insure an income to the government until a budget should be duly drawn up. This was undoubtedly the original intent of the provision which would have then belonged under the title, "temporary provisions." It found its way, however, among the "general provisions," and appears to have been retained advisedly in that position with the intention of depriving the chambers of the right to reduce the government income without the king's consent by omitting existing taxes from the budget. (See v. Rönne, *Op. cit.*, § 121, especially pp. 658-59.)

<sup>2</sup> Cf. notes on Articles 27 and 28.

<sup>3</sup> This article provided for the provisional administration of the local police.

<sup>4</sup> Cf. note on Article 72.

shall be combined into one. The organization shall be prescribed by a special law.

ART. 117. The claims of State officials who received a permanent appointment before the promulgation of the constitution shall receive special consideration in the new laws regulating the civil service.

ART. 118. Should changes in the present constitution be rendered necessary by the German Federal constitution to be drawn up on the basis of the draft of twenty-sixth of May, 1849,<sup>1</sup> such alterations shall be decreed by the king; and the ordinances to this effect laid before the chambers, at their first meeting.

The chambers shall then decide whether the changes thus provisionally made harmonize with the Federal constitution of Germany.

ART. 119. The royal oath mentioned in Article 54, as well as the oath prescribed to be taken by both chambers and all State officials, shall be taken immediately after the legislative revision of the present constitution (Articles 62 and 108) shall have been completed.

*In witness whereof* we have hereunto set our signature and royal seal. Given at Charlottenburg, the thirty-first of January, 1850.

[L.S.]

FRIEDRICH WILHELM.

Graf. v. Brandenburg, v. Landenberg, v. Mantteuffel, v. Strotha, v. d. Heydt, v. Rabe, Simons, v. Schleinitz.

<sup>1</sup>The draft of a Federal constitution, here referred to, was drawn up at the instigation of Prussia and with the co-operation of Bavaria, Saxony and Hanover, after it became evident that the National Constitutional Convention at Frankfurt had failed in its efforts to reorganize Germany.

SUPPLEMENT TO THE  
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CONSTITUTION  
OF THE  
KINGDOM OF ITALY.

TRANSLATED AND SUPPLIED  
WITH  
AN HISTORICAL INTRODUCTION AND NOTES

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1894.



## NOTE.

This Constitution, by means of the numbers at the bottom of the pages, is paged continuously with the Constitution of the United States of Mexico, which was the first paper in Volume II of the ANNALS, and was issued in a separate edition as No. 27 of the Publications of the Academy ; the Constitution of the Republic of Colombia, which was sent as a Supplement to the January, 1893, ANNALS, and was also issued as No. 79 of the Publications of the Academy ; the Constitutional and Organic Laws of France, which were sent as a Supplement to the March, 1893 ANNALS, and were also issued as No. 86 of the Publications of the Academy, and the Constitution of the Kingdom of Prussia which was sent as a Supplement to the September, 1894, ANNALS, and was also issued as No. 127 of the Publications of the Academy.

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## THE CONSTITUTION OF ITALY.

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### HISTORICAL INTRODUCTION.

The interest with which the American people followed every step in the progress of Italian unification\* and the sympathy felt for this nation in its struggle with its French and Austrian neighbors invite special attention to those fundamental provisions upon which that unity is based. In treating of the Italian constitutional development, one fact which hardly finds its parallel in any other country, becomes apparent. The modern Italian State represents the gradual aggrandizement, both as regards area and internal vigor, of a comparatively small State; the Kingdom of Sardinia.† This nucleus enlarged itself through a more or less willing but formally voluntary annexation of adjacent duchies and principalities and by cession from foreign countries.‡

By the year 1861 this process of integration had advanced far enough to enable the extended Kingdom of Sardinia to proclaim itself the "Kingdom of Italy." That which followed may be looked upon as the gradual realization of those aspirations, which were the necessary and logical outcome of the intellectual and economic condition of Italy at that time.

\* It is only necessary to refer to the mass meeting held at the Academy of Music, in New York, on the twelfth of January, 1871, to celebrate the unification of Italy. The proceedings were published by Putnam & Sons.

† The Kingdom of Sardinia in the year 1859 comprised Piedmont, Savoy, Nice and Sardinia.

‡ In the latter cases however, the ceded districts expressed their willingness through their plebiscite, when Austria ceded Lombardy to Piedmont in 1859, although no plebiscite took place at that time; a plebiscite of the 8th of June, 1848, had already decided in favor of such annexation.



In order, however, to fully appreciate the closing scenes in the course of Italian unification, it is necessary to pass rapidly in review the events which led to that fruitful period of Italian history when a down-trodden people claimed for itself all the prerogatives of an independent nation. We must trace the movement from a time when, still divided into a great number of duchies and principalities, some elements of the present constitution make their entry into Italian constitutional history. Although the present constitution is in reality identical with that granted to the people of the Kingdom of Sardinia, it was by no means the first to be found within the territorial limits of the present Kingdom of Italy. For this we must go back as far as the close of the last century, when the French Revolution and its principles were stirring all Europe to its very foundations, when the conquests of Napoleon were reforming and rearranging boundaries and jurisdictions. Perhaps in no other country did Napoleon so juggle with states and peoples as in Italy. A worthy preliminary to his subsequent policy was the Treaty of Campo Formio (1797), wherein the whole of Northern and Central Italy was reconstituted politically, through its division into four republics.

It is not possible to bring within the range of this summary, a sketch of the varying fortunes of these republics which suffered division and subdivision, change of government through re-instatement of their respective sovereigns, etc., as pleased the will and fancy of Napoleon. European history then approaches a period which was destined to again change the political complexion of Italy. The Congress of Vienna attempted the impossible task of "ignoring the Revolution of

1789" and the changes effected by Napoleon. As regards Italy, the internal rearrangement of territory during the quarter of a century had been so great that although certain restorations of dethroned monarchs were provided for, the former territorial limits could no longer be restored. For the future constitutional development, the most important amongst these was the restitution of the old Kingdom of Sardinia, with the addition of Genoa, to the House of Savoy. With this event the future constitutional history of Italy is intimately interwoven. The first disturbing element, as has so often happened in the history of Italian principalities, came from without. The Austrian treaty of 1821 prevented Victor Emanuel I. from making any concessions to his subjects. This led to an insurrection in Piedmont, and the king, not wishing to openly break with Austria, abdicated in favor of his cousin, Carlo Alberto, who was appointed regent. He, in turn, acknowledged the superior rights of Victor Emanuel's brother, Carlo Felice. The middle of the century marks a period of great intellectual activity. The best thought of the people was being directed toward the realization of those ideals of national unity which had found expression in such works as Balbo's "*Speranze d'Italia*," Gioberti's "*Il Primato morale e civile degli Italiani*," and in the teachings of men like Massimo d'Azeglio, Giusti, Ricasoli, Capponi and Manzoni. These ideas spread rapidly through Piedmont, but more especially in Tuscany. The way had now been prepared for the activity of the two men who contributed most to the promotion of Italian unification, Garibaldi and Count Camillo Benso di Cavour. A convenient date from which to follow their efforts, is the accession of Pius IX

to the pontifical chair. Great hopes had been entertained of his liberal tendencies, and it seemed as if a period of vigorous national life was to follow the granting of a constitution to the Pontifical State. As a matter of fact, constitutions were also granted in Tuscany and Piedmont. But at this juncture an event occurred which again, though seemingly favorable at first, turned out to be a retarding factor in the progressive movement. The tidal wave of revolution which spread over Europe with the French Revolution of 1848 brought Italy into a state of anarchy. Carlo Alberto, then King of Sardinia, taking advantage of the general bitterness of feeling, declared war against Austria. Carlo Alberto and his allies were defeated in two campaigns which lead to the abdication of the king in favor of his son, Victor Emanuel II. The condition of Italy at the time of his accession to the throne was by no means favorable to the plans he had in mind. Austria still maintained her ascendancy in Parma, Modena and Tuscany through the princes which she herself had placed on these thrones. The liberal ideas of Pius IX. had, from a fear of revolutionary excesses, given way to a bitter reactionary policy, and Sardinia itself, the only centre from which permanent relief was to be expected, was almost crushed by the Austrian forces.

The internal reforms effected by Victor Emanuel II, in both civil and religious institutions, contain some of the main principles upon which the modern Italian State is based. In 1850, with d'Azeglio as Prime Minister, the work of reform was inaugurated, and in 1852, when Cavour took the reins of government, Italy entered upon a stage of active unification. His success in arousing sympathy abroad soon bore fruit. In 1859 war was



declared between France and Sardinia on the one side and Austria on the other. It was felt that upon the outcome of this struggle depended, to a great extent, the immediate consummation of the hopes of Italy. The result did not bring all the expected benefits, but nevertheless marked considerable progress. Tuscauy, Modena, Parma, the Romagna, in a word, the whole of Central Italy, declared itself for annexation to the Kingdom of Sardinia, which was effected in 1860. The one great disappointment was the continued subjection of Venice to Austrian rule. The incorporation of the outstanding territories was now merely a question of time. The example of Central Italy was followed in 1861 by the Kingdom of the Two Sicilies. The wars of 1866 and 1870 brought Venice and Rome into what was already looked upon as a united Italy. We have been compelled to give this outline of the progress of Italian unification for the simple reason that the history of the annexation of provinces to the Kingdom of Sardinia is the history of the extension of the Constitution of 1848 to the United Kingdom of Italy. The long list of constitutions which we are about to enumerate disappeared as the petty kingdoms, duchies and principalities became merged into the unified state.

#### CONSTITUTIONS PRIOR TO THE ALBERTINE CONSTITUTION OF 1848.\*

I. The first written constitution which appeared in Italy was known as the "*Costituzione della Repubblica Cispadana*," which was modeled after the French Constitution of 1795. It was adopted by the representatives

\* For a fuller account of the early constitutions see Urtoller, "*Lo Statuto fondamentale del Regno d'Italia*," pp. 208. Cesena, 1881. First Part "Of the State and the Monarchy,"

of Bologna, Ferrara, Modena and Reggio, accepted by the people and published on the twenty-seventh of March, 1797. Its main provisions were that the legislative power should be exercised by two councils, one of sixty, the other of thirty members. The former had the exclusive right of the proposing measures, the latter that of approval or rejection. The executive authority was placed in the hands of a Directory of three members elected by the legislative bodies. The Executive was expected to look to the security of the Republic, both within and without, having the power to issue proclamations in conformity with the law. The various administrative bodies occupied about the same position as at present.

II. After the formation of the Cisalpine Republic, a constitution, also modeled after the French, was granted by Napoleon and proclaimed on the ninth of July, 1797 (21st Messidor An. V). This also provided for an executive directory and two legislative councils, one of 160, the other of 80 members.

III. The above constitution was amended September 1, 1798, through the introduction of the French system of administrative divisions.

IV. Based upon the same principles was the Constitution of the Ligurian Republic, which was accepted by the people on the second of December, 1797.

V. The Constitution of the Tiberine, or Roman Republic, was the only one of the four Republican Constitutions which made any attempt at deviation from the principles of the French Constitution. These differences, however, were more apparent than real. In form, ancient traditions were adhered to, and in place of the councils of thirty and of sixty, a Senate (*Senato*) and a

Tribunal (*Tribunato*) were substituted. The traditional Directory was christened Consulate with five Consuls, elected by the legislative councils acting in the capacity of an electoral assembly. This constitution was promulgated on the twentieth day of March, 1798.

VI. The Parthenopean Constitution of 1799 marks a still more decided deviation from the French model which had, heretofore, furnished the outline for constitutions of Italian States. It provided for a bi-cameral system, a Senate of fifty members having the exclusive right of legislative initiative, and a council of 120 with power of approval or rejection. A peculiar provision of this constitution was the formation of departmental commissions "to see that citizens lived according to democratic principles," and in case of infraction of such principles to deprive them of their active and passive rights of citizenship. They also had the supervision of public education. No citizen enjoyed the electoral franchise without previous military service. Educational as well as moral qualifications were prescribed as conditions for eligibility to public office and especially for Representative.

VII. Napoleon having secured from Austria the provinces of the Cisalpine Republic, introduced therein a new system of government, consisting of a governing commission and a legislative advisory board. These two bodies then prepared the Constitution of January 26, 1802. The name, "Cisalpine Republic," was changed to "Italian Republic." Napoleon assumed the Presidency. The electors were divided into three classes—the college of the *possidenti* (property owners), whose place of meeting was Milan; the college of the *dotti* (the learned), which met at Bologna, and that of the



*commercianti* (tradesmen), which met at Brescia. Upon these three colleges devolved the duty of electing the Advisory Council of State, the Legislative Corps, the members of the highest tribunals and the commissioners of the public treasury. They also had the power of expressing their opinion upon any constitutional amendments proposed by the Advisory Council of State. Another peculiar and important body created by this constitution was the "*Censura*," a commission composed of twelve members elected by the three electoral colleges. It elected public officials from the lists proposed by the three colleges, filled vacancies in the College of the Learned and decided upon the institution of legal proceedings in cases of alleged unconstitutional acts. The Advisory Council of State, composed of eight members, was entrusted with the examination of foreign treaties as well as all matters pertaining to foreign affairs. The cabinet ministers of the President were responsible for the acts of the government, for the execution of the laws and all decrees of the public administration, as well as for the expenditures and receipts of public monies.

VIII. The above constitution, proving too democratic, was amended the same year. For the Legislative Corps a Senate was substituted, in which all political and administrative powers were concentrated; it consisted of thirty members, presided over by a Doge, and was divided into five departments, namely, the Supreme or General Department, the Department of Justice and Legislation; of the Interior; of War and Navy, and of Finance. The presidents of the four latter performed the functions of cabinet ministers.

IX. A Constitution for the Ligurian Republic was promulgated June 24, 1802, and remained in force until 1805.

X. Monarchial aspirations commenced to take hold of the smaller Italian States, and induced them to resign their sovereignty and become parts of the French Empire, forming the departments of Genoa, of Montenotte and of the Apennines. Napoleon's desire was now to rearrange Italy so as to form, if possible, one united State, or at most, two or three smaller, but powerful States. In pursuance of this plan, that part of the Republic included between the rivers Ticino, Adige, and Rubicon and Le Rezie, formed the new Italian State. Its constitution was based upon the same principles as those of the French Empire and remained in force until the fall of Napoleon.

XI. Joseph Napoleon, having been called to the Spanish throne, decided, upon leaving Naples, to grant a constitution to the Kingdom of Naples, which was promulgated in 1808, but was only nominally in force until formally recognized in 1815 by Joachim Murat, his immediate successor. It gave the king the right of veto, provided for one single legislative chamber, composed of 100 members, and a Council of State, composed of not less than twenty-six and not more than thirty-six members. The legislative body was divided into five sections; that of the Clergy, of the Nobility, of the Property-owners, of the Learned and of the Tradesmen. The Council of State was divided into four departments, namely, that of Justice and Public Worship, of the Interior and Police, of Finance, of War and Navy. The Council of State was presided over by the king or by his deputy. It was entrusted with the preparation of civil and criminal laws, and of general administrative regulations. Its powers were, however, of an advisory rather than of a legislative nature.

XII. We have now several constitutions of minor importance to consider. In 1812, Francis, who was made Viceroy of Sicily after the abdication of his father, Ferdinand III., granted a comparatively liberal constitution. The legislative power was placed in the hands of a Parliament, the approval of the king being required for the validity of all laws. The judiciary was distinctly separated from the executive and legislative powers; the cabinet ministers and public officials were responsible to Parliament, which was composed of two chambers, a House of Commons to represent the people, and a House of Lords to be composed of those ecclesiastical and temporal dignitaries who occupied certain rank.\*

XIII. In the year 1815, Joachim Murat formally adopted with certain modifications the constitution minor granted by Joseph Napoleon in 1808,† which was promulgated only a few days before the restoration of the Bourbons to the throne of Naples. Its main provisions were: the executive power to be exercised by the king, the legislative by a Parliament of two chambers, a Senate and a Council of Notables. The concurrence of both Legislative and Executive was necessary to the validity of all laws and important regulations.

XIV. In the year 1820, Ferdinand I. granted a constitution to the Kingdom of the Two Sicilies. The Parliament, a single chamber composed of deputies representing the whole nation, had very extensive powers. A peculiar provision of this constitution was the so-called Parliamentary Deputation composed of

\* This evident analogy to the English constitutional system is partly due to Sir William Bentinck, the Commander of the English army which then occupied the island.

† See Constitution, No. XI.



seven members, elected by Parliament, whose duty it was, in case of the dissolution of the latter, to maintain the observance of the constitution, and to convoke Parliament in extraordinary session, as prescribed by the constitution. The king appointed and dismissed all cabinet ministers, and exercised special powers regarding foreign affairs. The Council of State, composed of twenty-four members, was his advisory board. The Judiciary was absolutely independent of both Legislature and Executive.

XV. We now approach the period of liberal constitutions of the year 1848. The first one was that granted February 10, 1848, by Ferdinand II. of Sicily. The legislative body was divided into two chambers corresponding exactly to the then prevailing theory of constitutional government. It was composed of a Chamber of Peers and a Chamber of Deputies. The former were appointed by the king for life and constituted a high court of justice for the trial of offences against the security of the State, as well as a legislative body. The Chamber of Deputies was composed of members representing the nation at large.

XVI. Leopold II., of Tuscany, recognizing the need of a more highly developed civic activity, granted to the people of Tuscany February 15, 1848, a constitution known as "*Lo Statuto della Toscana*," which provided for a complete system of representative government. The legislative body was composed of two chambers; a Senate, composed of members appointed by the Grand Duke; a General Council, composed of eighty-six deputies, elected by constituted Electoral Colleges. Commercial and industrial liberty, as well as the freedom of the press, were guaranteed in a special

section of the constitution known as the "*Public Law of the Tuscans*."

XVII. Reference has already been made to the hopes aroused by the liberal tendencies of Pius IX. These expectations seemed to be realized in the "Constitution of the Temporal Power" (*Statuto fondamentale del Governo temporale*), sanctioned by Pius IX. on the fourteenth of March, 1848. The legislative power was divided into two bodies, the High Council and the Council of Deputies. The only restriction of the legislative functions was an express prohibition of all discussion of the foreign relations of the Holy See, as well as all laws affecting ecclesiastical matters when not in harmony with the canons and discipline of the church. Each legislative session was limited to three months. All bills after passing both councils were submitted to the Sovereign Pontiff and then considered in secret consistory. Having heard the opinion of the cardinals, the pope gave or withheld his approval. The Sacred College confirmed the nomination of cabinet ministers and filled vacancies. A Council of State, composed of ten members and twenty-four adjunct advisors, was entrusted with the preparation of laws and regulations.

XVIII. Sicily, having become, for the moment, an independent State through a successful revolution against the King of the Two Sicilies, a Constituent Assembly adopted a new constitution on the tenth of July, 1848. The legislature comprised two branches, a Chamber of Deputies and a Senate, the former being renewed biennially, in its entirety while in the latter one-third retired every two years. The king could neither adjourn nor dissolve Parliament. The analogies between this

constitution and that of the United States are numerous and striking.

XIX. The revolution in Rome having resulted in the proclamation of the Republic on the ninth of February, 1848, by the Constituent Assembly, the basis of this constitution was naturally in harmony with the circumstances of its origin. The people were declared to be by eternal right sovereign; all titles of nobility and class privileges were swept away, all religious qualifications for the exercise of civil and political rights were abolished. The pope was granted the necessary guarantees for the exercise of his spiritual power. The constitution, furthermore, provided for an Assembly, a Consulate and an independent Judiciary. The legislative power was in the hands of an Assembly, the initiative in legislation belonging both to the Deputies and to the Consulate. In addition, a Council of State was provided for, which was to be consulted by the Consulate and cabinet ministers concerning proposed measures!

XX. We now come to the constitution which is that of the modern Italian State. The constitution granted by Carlo Alberto, King of Sardinia, on the fourth of March, 1848, was preceded by the following declaration: "The people that we have governed by the will of a Divine Providence during the last seventeen years with fatherly love have always understood our affection just as we have endeavored to learn of their wants, and it has always been our doctrine that Prince and nation were united by the strong bonds of the common welfare. Of this union we have had the gratifying proof in the general approval with which the recent reforms have been received. The desire for their happiness, as



well as the wish to accustom our people to the discussion of public affairs, has prompted our action in the projects for future reform.// Now, that the time is propitious for more rapid progress in this direction, it is our wish, in the midst of changes which are revolutionizing Italy, to give most solemn proof of our confidence in the loyalty of our subjects. At the present moment we are fortunately able to proclaim, with the advice of our ministers and advisors, the following principles as the basis of a constitution to realize in our States a complete system of representative government." Then followed fourteen articles which outlined the principles of the constitution:

ART. 1. The Roman Catholic religion is the only religion of the State. All other cults now existing are tolerated in accordance with the law.

ART. 2. The person of the King is sacred and inviolable. His ministers are responsible.

ART. 3. To the King alone belongs the executive power. He is the supreme head of the State. He is commander-in-chief of the army and navy, declares war, concludes treaties of peace, alliance and commerce, appoints public officials, and gives all necessary orders for the proper execution of the laws.

ART. 4. The king alone sanctions laws and promulgates them.

ART. 5. Justice emanates from the king and is administered in his name. He has the power of pardoning offences and commuting sentences.

ART. 6. The legislative power is to be exercised by the King and two chambers collectively.

ART. 7. The first Chamber is to be composed of members appointed for life by the King; the second is to be

elected upon the basis of qualifications to be determined hereafter.

ART. 8. The proposal of laws belongs to the King and to each of the two Chambers. Every bill for the levying of taxes, however, shall first be presented to the elective Chamber.

ART. 9. The King shall convoke the two houses annually. He has the power to prorogue their sessions, and may dissolve the elective Chamber, in which case, however, the new house shall be convoked within the succeeding four months.

ART. 10. No tax shall be levied or collected without the consent of both Houses and the approval of the King.

ART. 11. The press shall be free, but subject to restrictive laws.\*

ART. 12. Individual liberty shall be guaranteed.

ART. 13. Judges, with the exception of those instituted for special purposes, shall hold office for life after having held position for a certain number of years.

ART. 14. The right to establish a communal militia is reserved. It shall be composed of taxpayers of a specified grade, be subject to the control of the administrative authority and directly responsible to the Minister of the Interior. The King may suspend or dissolve the militia, whenever he shall deem fit.

"The constitution which in pursuance of our wishes has been prepared in conformity with the articles above mentioned, shall take effect immediately after the reorganization of the local administration.

"May God protect the new era which opens itself before our people and until they shall be able to exercise

\* This clause refers to the abolition of the censorship. "Restrictive laws" do not refer to provisions for previous examination of matter intended for publication, but rather to the subsequent determination of liability for acts committed.

the greater liberties accorded them, of which they are and will continue to be worthy, we expect of them the rigorous observance of existing laws and the imperturbable calm-so necessary to complete the work of internal organization."

*Given at Turin, February 8, 1848.*

The constitution announced in the above proclamation was promulgated on the fourth of March, 1848.\*

Although no provision is to be found in this constitution for amendment, most Italian constitutional jurists have held that Parliament, with the approval of the King, has the power to make laws amending the constitution, for an immutable constitution is sure in time to hamper the development of a progressive people. It is hardly necessary to add that such an instrument is contrary to the true conception of an organic law. As a matter of fact several provisions have been either abrogated or rendered null and void through change of conditions.

Thus the second clause of Article 28, requiring the previous consent of the bishop for the printing of Bibles, prayer books and catechisms, has been rendered of no effect through subsequent laws regulating the relations of Church and State. Article 76, which provides for the establishment of a communal militia, has been abrogated by the military law of June 14, 1874. The fact that no French-speaking provinces now form part of the kingdom has made Article 62 a dead-letter. So also Articles 53 and 55 are no longer strictly adhered to. At all events their observance has been suspended for the time being.

\* The extension of this constitution to the various parts of the present Kingdom of Italy was effected by a series of Plebiscites: Lombardy, December 7, 1859; Emilia by decree of March 18, 1860, and law of April 15, 1860; Neapolitan Provinces, December 17, 1860; Tuscany, decree March 22, and law April 15, 1860; Sicily, Marches and Umbria, December 17, 1860; Province of Venice, decree July 28, 1866; Roman Provinces, decree October 9 and law December 31, 1870.



## THE CONSTITUTION OF ITALY.<sup>1</sup>

(CHARLES ALBERT, by the Grace of God, King of Sardinia, Cyprus and Jerusalem, Duke of Savoy, Genoa, Monferrato, Aosta, of the Chiabrese, Genovese and of Piacenza; Prince of Piedmont and Oneglia; Marquis of Italy, Saluzzo, Ivrea, Susa, Ceva, of the Maro, of Oristano, of Cesana and Savona; Count of Moriana, Geneva, Nice, Tenda, Romonte, Asti, Alexandria, Goceano, Novara, Tortona, Vigevano and of Bobbio; Baron of Vaud and Faucigny; Lord of Vercelli, Pinerolo, Taranasia, of the Lomellina and of the Valley of Sesia, etc., etc., etc.)

With the fidelity of a king and the affection of a father, we are about to-day to fulfill all that we promised our most beloved subjects in our proclamation of the eighth of last February, whereby we desired to show, in the midst of the extraordinary events<sup>2</sup> then transpiring

<sup>1</sup> The bibliographical note which follows this translation will indicate various Italian texts and French translations of the constitution as well as reference to several commentaries. The only English translation of which we have knowledge is that made by the English Embassy and published in a volume of Parliamentary Reports entitled, "Correspondence Respecting the Affairs of Italy 1846-47," Part ii, p. 130, ff, London, 1848.

<sup>2</sup> Here reference is made to the insurrections, riots, etc., many of them of a very serious nature, which gave expression to the rising spirit of democracy throughout all Italy, and was even the subject of correspondence with foreign countries as endangering the peace of Europe. The weakness of the petty rulers in many of the provinces, who maintained their position only through the aid of Austrian arms, so increased the desire of the population to be freed from foreign rule that some form of representative government became imperative. Even in Sardinia, with the more able government of Charles Albert, the feeling of discontent and opposition to the existing government was so strong, that the municipality of Turin finally petitioned the King, on February 5, 1848, for a constitution for the country. These petitioners included among their number many of the nobility and high officials of State, as well as large landed proprietors. The

throughout the country, how much our confidence in our subjects increased with the gravity of the situation, and how, consulting only the impulse of our heart, we had fully determined to make their condition conform to the spirit of the times and to the interests and dignity of the nation.

We, believing that the broad and permanent representative institutions established by this fundamental statute are the surest means of cementing the bonds of indissoluble affection that bind to our crown a people that has so often given us ample proof of their faithfulness, obedience and love, have determined to sanction and promulgate this statute. We believe, further, that God will bless our good intentions, and that this free, strong and happy nation will ever show itself more deserving of its ancient fame and thus merit a glorious future.

Therefore, we, with our full knowledge and royal

serious condition of affairs at Milan and Naples influenced public opinion at Turin. At Milan an attempt was made to increase the public revenue by increasing the tax on tobacco, and this measure was so obnoxious that the young men of the city banded together to resist it by refusing to consume tobacco until it was removed, and holding up as their example the action of the American colonists when opposed to the tea tax in Revolutionary days. In Naples the greatest disorder prevailed. An order to disperse the students to their homes was issued by the authorities, but subsequently revoked as a measure that tended to spread discontent. Finally, on January 29, 1848, a decree was issued at Naples promising that the Sicilian king would grant his people a constitution. This promise intensified the demands made in other provinces, and King Charles Albert, of Sardinia, after several secret sessions of his Council, answered the petition of the Turin municipality by his proclamation of February 8, declaring that he of his "free and entire will" believed the time ripe for granting his subjects a complete representative system of government. He further stated his intention to grant them a fundamental statute then in preparation, but the character and principal points of which he gave an outline. This action gave immediate satisfaction, not lessened by the appearance of the statute itself some weeks later.

authority and with the advice of our Council, have ordained and do hereby ordain and declare in force the fundamental perpetual and irrevocable statute and law of the monarchy as follows:

ARTICLE I. The Catholic, Apostolic and Roman religion is the only religion of the State. Other cults now existing are tolerated conformably to the law.<sup>1</sup>

<sup>1</sup> The evident purport of this article upon the relation of the State to the Church has been very radically changed by subsequent laws. A decree dated October 9, 1870, and the laws of December 31, 1870, and May 13, 1871, have given it quite a different meaning from that in vogue at the time of the adoption of the constitution. The latter law has attained particular importance since the Council of State declared (March 2, 1878), that it may be considered to all intents and purposes as part of the fundamental law of the kingdom. It is known as the "Guarantee Law," and its full text may be found in an excellent collection of administrative laws, together with the text of the Statute issued by the firm of G. Barbera, Florence, and entitled "*Codice Politico Amministrativo*," with notes and interpretations by Professor Cogliolo and Avv. E. Malchiodi. It is this Guarantee Law that the Pope has never accepted, and under which he declares himself to be the prisoner of the Italian Government. A synopsis of its provisions may be given as follows: (1) The person of the Pontiff is sacred and inviolable; (2) any attempt or provocation to take the life of the Pope as well as any personal assault or offence by public act or speech is punished under the same law as that protecting the person of the king. The right to discuss religious matters is, however, entirely free. (3) The Italian Government guarantees to the Pope when in Italian territory all honors customarily shown him by Catholic sovereigns and permits him to maintain the usual number of guards and personal attachés without violation of law. (4) An annual income of 3,225,000 lire is reserved for the Holy See as a dotation for the expenses of the Holy Apostolic Palace, Holy College, ecclesiastical organization and diplomatic representation. This dotation forms part of the public debt in the form of a perpetual and inalienable income which remains free from all taxation and may not be diminished even in case the government should later decide to be responsible for the expenses of the museums and of the library; (5) besides this the Sovereign Pontiff has the use of the Vatican and Lateran Palaces, with all gardens, etc., appertaining thereto, and also the Villa di Castello Gondolfo. All these palaces, villas, as well as museums, library and historic collections are inalienable and exempt from taxation and appropriation. (6) During the vacancy of the Pontifical Chair no political or judicial authority may hinder or limit the personal liberty of the Cardinals. The government will protect assemblies of conclave and oecumenical councils from exterior disturbance and violence. (7) No public



## ART. 2. The State is governed by a representative

official in the performance of the duties of his office may enter the residence of the Pope or the Papal palaces during the sessions of an œcumenical council or when the Cardinals are united in conclave without the previous permission of the Pope, Conclave or Council. (8) Papers, documents, books, registers, etc., deposited in pontifical offices and invested with a purely spiritual character may not be examined by process of law. (9) The Sovereign Pontiff is entirely free to fulfill the functions of his spiritual ministry and to this end may put notices on basilicas and churches of Rome. (10) The clergy at Rome in the exercise of their spiritual functions cannot be subjected to any examination, investigation or control on the part of the civil authorities. Every foreigner invested with ecclesiastical functions at Rome shall enjoy all the privileges and immunities of Italian citizens. (11) Envoys of foreign governments to the Holy See are entitled to the same prerogatives and immunities accorded to other diplomatic agents according to the usages of international law. Also envoys of the Holy See are entitled to rights of the same nature while going or returning from their mission. (12) The Pontiff has the right to establish his own post office and telegraph service at the Vatican. This post office may transmit sealed packages of correspondence direct to foreign offices or through the medium of the Italian Post. In either case transmissions in Italian territory are made free of charge. Telegrams received with Pontifical mark are transmitted within the Kingdom like telegrams of the State, free of charge. (13) Within the city of Rome the six subsidiary Sees, the seminaries, academic colleges and other Catholic institutions, founded for ecclesiastical education remain under the sole control of the Holy See and may not be subjected to any interference on the part of the educational authorities of the State. (14) Every special restriction of the right of the members of the Catholic clergy to assemble is abolished. (15) The government renounces the right to an apostolic legation in Sicily and to the appointment to the major benefices throughout the kingdom. Bishops are no longer required to swear fidelity to the King. Major and minor benefices may be conferred only on citizens of the Kingdom except in Rome and its subsidiary Sees. (16) The governmental authorization for the publication of ecclesiastical acts is abolished, but until provision is made in a special law, this authorization (*exequatur et placet regio*) is maintained for acts disposing of ecclesiastical goods and making appointments to the major and minor benefices, except in Rome and its subsidiary Sees. (17) In matters of spiritual discipline there is no appeal from decisions of ecclesiastical authorities, nor is there accorded to these decisions any execution by the public authority. If, however, these acts are contrary to law, they are subject to civil jurisdiction and punishment. (18) A future law will provide for the reorganization, preservation and administration of the ecclesiastical estates of the Kingdom. (19) All regulations now in force contrary to this law are hereby declared to be null and void.

monarchical government, and the throne is hereditary according to the Salic law.<sup>1</sup>

ART. 3. The legislative power shall be exercised collectively by the King and the two Chambers, the Senate and the Chamber of Deputies.

ART. 4. The person of the King is sacred and inviolable.

ART. 5. To the King alone belongs the executive power. He is the supreme head of the State; commands all land and naval forces; declares war; makes treaties of peace, alliance, commerce and other treaties, communicating them to the Chambers as soon as the interest and security of the State permits, accompanying such notice with opportune explanations; provided that treaties involving financial obligations or change of State territory shall not take effect until they have received the consent of the Chambers.

ART. 6. The King appoints to all the offices of the State and makes the necessary decrees and regulations for the execution of the laws, provided that such decrees do not suspend or modify their observance.

ART. 7. The King alone sanctions and promulgates the laws.

ART. 8. The King may grant pardons and commute sentences.

ART. 9. The King convokes the two Chambers each year. He may prorogue their sessions and dissolve the Chamber of Deputies, in which case he shall convoke a new Chamber within a period of four months.

<sup>1</sup>The Salic Law originated with the Sallian Franks. The famous clause of this law, which now bears the name of the whole, is the fifth paragraph of chapter 59, which prescribes conditions for the inheritance of private property by which women are excluded from the line of succession. This clause was later applied to the succession to the throne, and now the term "Salic Law" is used solely in this sense and means male succession.

ART. 10. The initiative in legislation belongs both to the King and the two Houses. All bills, however, imposing taxes or relating to the budget shall first be presented to the Chamber of Deputies.

ART. 11. The King shall attain his majority upon completion of his eighteenth year.

ART. 12. During the King's minority, the Prince who is his nearest relative in the order of succession to the throne, shall be regent of the realm, provided he be twenty-one years of age.

ART. 13. Should the Prince upon whom the regency devolves be still in his minority and this duty pass to a more distant relative, the regent who actually takes office shall continue in the same until the King becomes of age.

ART. 14. In the absence of male relatives, the regency devolves upon the Queen-Mother.

ART. 15. In the event of the prior decease of the Queen-Mother, the regent shall be elected by the legislative Chambers, convoked within ten days by the Ministers of the Crown.

ART. 16. The preceding provisions in reference to the regency are also applicable in case the King has attained his majority, but is physically incapable of reigning. Under such circumstances, if the heir presumptive to the throne be eighteen years of age, he shall be regent of full right.

ART. 17. The Queen-Mother has charge of the education of the King until he has completed his seventh year; from this time on his guardianship passes into the hands of the regent.

ART. 18. All rights pertaining to the civil power in matters of ecclesiastical benefices and in the execution



of all regulations whatsoever coming from foreign countries shall be exercised by the King.<sup>1</sup>

ART. 19. The civil list of the Crown shall remain, during the present reign, at an amount equal to the average of the same for the past ten years. The King shall continue to have the use of the royal palaces, villas, gardens and their appurtenances, and also of all chattels intended for the use of the Crown, of which a speedy inventory shall be made by a responsible ministerial department. In the future the prescribed dotation of the Crown shall be fixed for the duration of each reign by the first Legislature subsequent to the King's accession to the throne.<sup>2</sup>

ART. 20. The property that the King possesses in his own right, shall form his private patrimony, together with that to which he may acquire title either for a consideration or gratuitously in the course of his reign. The King may dispose of his private patrimony either by deed or will exempt from the provisions of the civil law as to the amount thus disposable. In all other cases, the King's patrimony is subject to the laws that govern other property.

ART. 21. The law shall provide an annual civil list for the heir apparent to the throne when he has attained his majority, and also earlier on occasion of his marriage; for the allowances of the Princes of the royal family and royal blood within the specified conditions; for the dowries of the Princesses and for the dowries of the Queens.

<sup>1</sup> The clause, "Regulations from foreign countries," refers to Papal decrees, ecclesiastical ordinances, judicial sentences, and matters relating to extradition. At time of adoption of this constitution Rome was foreign territory.

<sup>2</sup> After King Humbert I. ascended the throne, a law dated June 27, 1880, fixed the annual dotation of the Crown, but the sum then agreed upon has since been increased to 14,250,000 lire.

ART. 22. Upon ascending the throne, the King shall take an oath in the presence of the two Chambers to observe faithfully the present constitution.

ART. 23. The regent, before entering on the duties of that office, shall swear fidelity to the King and faithful observance of this constitution and of the laws of the State.

OF THE RIGHTS AND DUTIES OF CITIZENS.

ART. 24. All the inhabitants of the Kingdom, whatever their rank or title, shall enjoy equality before the law. All shall equally enjoy civil and political rights and be eligible to civil and military office, except as otherwise provided by law.

ART. 25. All shall contribute without discrimination to the burdens of the State, in proportion to their possessions.

ART. 26. Individual liberty is guaranteed. No one shall be arrested or brought to trial except in cases provided for and according to the forms prescribed by law.

ART. 27. The domicile shall be inviolable: No house search shall take place except in the enforcement of law and in the manner prescribed by law.

ART. 28. The press shall be free, but the law may suppress abuses of this freedom.<sup>1</sup> Nevertheless, Bibles, catechisms, liturgical and prayer books shall not be printed without the previous consent of the bishop.<sup>2</sup>

ART. 29. Property of all kinds whatsoever shall be inviolable. In all cases, however, where the public

<sup>1</sup> The first law issued under this clause was that of March 26, 1848. (Text is in collection referred to in note 1 on page 25.) This law has since been modified by the following acts: February 26, 1852; June 20, 1858; May 6, 1877, and again by the Penal Code of 1889.

<sup>2</sup> The second section of this article has been practically abrogated by subsequent legislation.

welfare, legally ascertained, demands it, property may be condemned and transferred in whole or in part after a just indemnity has been paid according to law.<sup>1</sup>

ART. 30. No tax shall be levied or collected without the consent of the Chambers and the sanction of the King.

ART. 31. The public debt is guaranteed. All obligations between the State and its creditors shall be inviolable.

ART. 32. The right to peaceful assembly, without arms, is recognized, subject, however, to the laws that may regulate the exercise of this privilege in the interest of the public welfare.<sup>2</sup> This privilege is not applicable, however, to meetings in public places or places open to the public,<sup>3</sup> which shall remain entirely subject to police law and regulation.

#### OF THE SENATE.

ART. 33. The Senate shall be composed of members, having attained the age of forty years, appointed for life by the King, without limit of numbers.

They shall be selected from the following categories of citizens:

1. Archbishops and Bishops of the State.
2. The President of the Chamber of Deputies.
3. Deputies after having served in three Legislatures, or after six years of membership in the Chamber of Deputies.
4. Ministers of State.
5. Secretaries to Ministers of State.
6. Ambassadors.

<sup>1</sup> Law of June 25, 1865.

<sup>2</sup> Law for public safety, dated March 20, 1865, was modified by the law of July 6, 1871. Law now in force is dated June 30, 1889. (Text in collection mentioned note 1 on page 25.)

<sup>3</sup> Such as theatres, concert halls, etc.



7. Envoys Extraordinary after three years of such service.

8. The First Presidents of the Courts of Cassation<sup>1</sup> and of the Chamber of Accounts.<sup>2</sup>

9. The First Presidents of the Courts of Appeal.<sup>3</sup>

10. The Attorney-General of the Courts of Cassation and the Prosecutor-General, after five years of service.

11. The Presidents of the Chambers of the Courts of Appeal after three years of service.

12. The Councillors of the Courts of Cassation and of the Chamber of Accounts after five years of service.

13. The Advocates-General and Fiscals-General of the Courts of Appeal after five years of service.

14. All military officers of the land and naval forces with title of general. Major-generals and rear-admirals after five years of active service in this capacity.

15. The Councillors of State after five years of service.

16. The members of the Councils of Division<sup>4</sup> after three elections to their presidency.

<sup>1</sup>These are Courts of Review and Appeal in second instance with appellate jurisdiction in civil and criminal cases for appeals in error, in form, or in fact. There are at present five of these courts in Italy, and parliamentary efforts to unite them in one have thus far been unsuccessful. The court at Rome has somewhat more extensive powers than either of the other four. (Florence, Naples, Palermo and Turin.) Each court has a first president and one or more presidents of sections, and eight to sixteen councillors. Seven members constitute a quorum.

<sup>2</sup>This corresponds to the French "*cours des comptes*," with jurisdiction over matters concerning the public revenue. It is, in reality, a Court of Audit; the accounts of fiscal agents being submitted to it for approval.

<sup>3</sup>The Courts of Appeal in first instance with the same form of organization as the Courts of Cassation. They number at present twenty.

<sup>4</sup>At the time of the adoption of this Constitution the "Division" in Piedmont corresponded to the "Province" in modern Italy. The "Councils of Division" are therefore the elective representative bodies of the Provinces, now known as the Provincial Councils. There are at present 69 provinces. See law of Feb. 10, 1889.

17. The Provincial Governors (*Intendenti generali*)<sup>1</sup> after seven years of service.

18. Members of the Royal Academy of Science of seven years standing.

19. Ordinary members of the Superior Council of Public Instruction after seven years of service.

20. Those who by their services or eminent merit have done honor to their country.

21. Persons who, for at least three years, have paid direct property or occupation taxes to the amount of 3000 lire.

ART. 34. The Princes of the Royal Family shall be members of the Senate. They shall take rank immediately after the President. They shall enter the Senate at the age of twenty-one and have a vote at twenty-five.

ART. 35. The President and Vice-Presidents of the Senate shall be appointed by the King, but the Senate chooses from among its own members its secretaries.

ART. 36. The Senate may be constituted a High Court of Justice by decree of the King for judging crimes of high treason and attempts upon the safety of the State, also for trying Ministers placed in accusation by the Chamber of Deputies.<sup>2</sup> When acting in this capacity, the Senate is not a political body. It shall not then occupy itself with any other judicial matters than those for which it was convened; any other action is null and void.

ART. 37. No Senator shall be arrested except by virtue of an order of the Senate, unless in cases of flagrant

<sup>1</sup> *Intendenti generali* were the heads of the *divisions*. They corresponded to the actual *Prefetti*, the political and administrative heads of the Provinces, appointed by the Government.

<sup>2</sup> The judicial regulations of the Senate when constituted a High Court of Justice bear date May 7, 1870. (For text see collection of laws referred to in note 1. p. 25.)

commission of crime. The Senate shall be the sole judge of the imputed misdemeanors of its members.<sup>1</sup>

ART. 38. Legal documents as to births, marriages and deaths in the Royal Family shall be presented to the Senate and deposited by that body among its archives.

#### OF THE CHAMBER OF DEPUTIES.

ART. 39. The elective Chamber is composed of deputies chosen by the electoral colleges as provided by law.<sup>2</sup>

ART. 40. No person shall be a member of the Chamber who is not a subject of the King, thirty years of age, possessing all civil and political rights and the other qualifications required by law.

ART. 41. Deputies shall represent the nation at large and not the several Provinces from which they are chosen. No binding instructions may therefore be given by the electors.

ART. 42. Deputies shall be elected for a term of five years; their power ceases *ipso jure* at the expiration of this period.

<sup>1</sup> In judging misdemeanors of a criminal nature, the Senate is constituted a High Court of Justice.

<sup>2</sup> The election law long in force was that of December 17, 1860, which was subsequently modified in July, 1875, and in May, 1877. In January, 1882, a comprehensive electoral reform was inaugurated by which the electoral age qualification was reduced from twenty-five to twenty-one years, and the tax qualification to an annual payment of nineteen lire eighty centesimi as a minimum of direct taxes. This law introduced a new provision requiring of electors a knowledge of reading and writing. It is an elaborate law of 107 articles (see reference in note 1 on page 25 for text). The provisions relating to the elections by general ticket were further revised by law of May and decree of June, 1882, and the text of the whole law was co-ordinated with the preceding laws by Royal Decree of September 24, 1882. It was again modified May 5th, 1891, by the abolition of elections on general tickets and the creation of a Commission for the territorial division of the country into electoral colleges. The number of electoral colleges is at present fixed at 508, each electing one Deputy. Twelve articles of this law of 1882, as thus amended, have been again amended by a law dated June 28, 1892, prescribing further reforms in the control and supervision of elections, and by law of July 11, 1894, on the revision of electoral and registration lists.



ART. 43. The President, Vice-presidents and Secretaries of the Chamber of Deputies shall be chosen from among its own members at the beginning of each session for the entire session.

ART. 44. If a Deputy ceases for any reason whatsoever to perform his duties, the electoral college that chose him shall be convened at once to proceed with a new election.

ART. 45. Deputies shall be privileged from arrest during the sessions, except in cases of flagrant commission of crime; but no Deputy may be brought to trial in criminal matters without the previous consent of the Chamber.

ART. 46. No warrant of arrest for debts<sup>1</sup> may be executed against a Deputy during the sessions of the Chamber, nor within a period of three weeks preceding or following the same.

ART. 47. The Chamber of Deputies shall have power to impeach Ministers of the Crown and to bring them to trial before the High Court of Justice.

#### PROVISIONS RELATING TO BOTH HOUSES.

ART. 48. The sessions of the Senate and Chamber of Deputies shall begin and end at the same time, and every meeting of one Chamber, at a time when the other is not in session is illegal and its acts wholly null and void.

ART. 49. Senators and Deputies before entering upon the duties of their office shall take an oath of fidelity to the King and swear to observe faithfully the Constitution and laws of the State and to perform their duties with

<sup>1</sup> This article has been practically abolished by the Mancini law of December 6, 1877, doing away with personal arrest for debts.

the joint welfare of King and country as the sole end in view.<sup>1</sup>

ART. 50. The office of Senator or Deputy does not entitle to any compensation or remuneration.<sup>2</sup>

ART. 51. Senators and Deputies shall not be held responsible in any other place for opinions expressed or votes given in the Chambers.

ART. 52. The sessions of the Chambers shall be public. Upon the written request of ten members secret sessions may be held.

ART. 53. No session or vote of either Chamber shall be legal or valid unless an absolute majority of its members is present.<sup>3</sup>

ART. 54. The action of either Chamber on any question shall be determined by a majority of the votes cast.

ART. 55. All bills shall be submitted to committees elected by each House for preliminary examination. Any proposition discussed and approved by one Chamber shall, be transmitted to the other for its consideration and approval; after passing both Chambers it shall be presented to the King for his sanction. Bills shall be discussed article by article.<sup>4</sup>

ART. 56. Any bill rejected by one of the three legislative powers cannot again be introduced during the same session.

ART. 57. Every person who shall have attained his

<sup>1</sup> According to the law of December 30, 1882, a Deputy loses all claim to his seat if he does not take the prescribed oath within two months after election.

<sup>2</sup> A law to salary the Deputies was introduced in 1882 by Francisco Crispi, when Deputy, but was rejected by the Chamber of Deputies.

<sup>3</sup> This article is not observed in actual parliamentary practice.

<sup>4</sup> This provision has necessarily been somewhat modified by the exigencies of business before the Chambers. Articles are therefore grouped as far as possible for purposes of debate, but always voted upon separately.

majority has the right to send petitions to the Chambers, which in turn must order them to be examined by a committee; on report of the committee each House shall decide whether they are to be taken into consideration, and if voted in the affirmative, they shall be referred to the competent Minister or shall be deposited with a Government Department for proper action.

ART. 58. No petition may be presented in person to either Chamber. No persons except the constituted authorities shall have the right to submit petitions in their collective capacity.

ART. 59. The Chambers shall not receive any deputation, nor give hearing to other than their own members and the Ministers and Commissioners of the Government.

ART. 60. Each Chamber shall be sole judge of the qualifications and elections of its own members.

ART. 61. The Senate as well as the Chamber of Deputies shall make its own rules and regulations respecting its methods of procedure in the performance of its respective duties.<sup>1</sup>

ART. 62. Italian shall be the official language of the Chambers. The use of French shall, however, be permitted to those members coming from French-speaking districts and to other members in replying to the same.<sup>2</sup>

ART. 63. Votes shall be taken by rising, by division, and by secret ballot. The latter method, however, shall always be employed for the final vote on a law and in all cases of a personal nature.

<sup>1</sup> The manual of rules now in use in the Senate and Chamber of Deputies were adopted in 1876 and 1868 respectively, but both have been subjected to some revision. The text is to be found in collection already referred to, note 1, page 25.

<sup>2</sup> Second clause, now of no effect, applied to Savoy and Nice, now part of France, by terms of treaty of March 24, 1860.



ART. 64. No one shall hold the office of Senator and Deputy at the same time.

#### OF THE MINISTERS.

ART. 65. The King appoints and dismisses his ministers.<sup>1</sup>

ART. 66. The Ministers shall have no vote in either Chamber unless they are members thereof. They shall have entrance to both Chambers and must be heard upon request.

ART. 67. The Ministers shall be responsible.<sup>2</sup> Laws and decrees of the government shall not take effect until they shall have received the signature of a Minister.

#### OF THE JUDICIARY.

ART. 68. Justice emanates from the King and shall be administered in his name by the judges he appoints.

ART. 69. Judges appointed by the King, except Cantonal or District judges (*di mandamento*), shall not be removed after three years of service.<sup>3</sup>

<sup>1</sup> A Royal Decree dated August 25, 1876, contains the rules for the proceedings in Cabinet Council (*Consiglio dei Ministri*). The Act of February 12, 1888, concerning the Council of Ministers, provides that their number and functions shall be determined by Royal Decree. This is in accordance with the settled principle of Italian public law by which the King may modify the internal organization of the executive department of the government by royal decree.

<sup>2</sup> The responsibility of ministers has not as yet been defined by law; the Mancini ministry in 1878 appointed a commission to prepare such a law, but its labors came to naught.

<sup>3</sup> After some attempts to do away with this guarantee, a law, passed December 6, 1865, gave the government the right to remove judges, provided the latter were guaranteed the same grade and salary. This prerogative of the government was later weakened by a decree of January 4, 1880, which instituted a Commission of the Ministry of Justice, composed of four Councillors of the Courts of Cassation and one member of the bar at the same courts, charged with the duty of giving advice upon the removal of judges. Judges *di mandamento* are known as *pretore* and have jurisdiction over political divisions comprising several communes. There are 1535 such divisions or *Mandamenti*.

ART. 70. Courts, tribunals and judges are retained as at present existing. No modification shall be introduced except by law.<sup>1</sup>

ART. 71. No one shall be taken from his ordinary legal jurisdiction. It is therefore not lawful to create extraordinary tribunals or commissions.<sup>2</sup>

ART. 72. The proceedings of tribunals in civil cases and the hearings in criminal cases shall be public as provided by law.

ART. 73. The interpretation of the laws, in the form obligatory upon all citizens, belongs exclusively to the legislative power.

#### GENERAL PROVISIONS.

ART. 74. Communal and provincial institutions and the boundaries of the communes and provinces shall be regulated by law.<sup>3</sup>

ART. 75. The military conscriptions shall be regulated by law.<sup>4</sup>

ART. 76. A communal militia shall be established on a basis fixed by law.<sup>5</sup>

<sup>1</sup> See law of December 6, 1865, for organization of the Judiciary, and the organic law for the Court of Assizes and for jury trials, dated June 8, 1874.

<sup>2</sup> The code of penal procedure, however, in Article 766 seems to run directly counter to this clause by the provision that in case of reasonable suspicion, or on the grounds of public safety, the accused may be removed for trial from the regularly constituted jurisdiction.

<sup>3</sup> Law of March 20, 1865. A new law was discussed by the Chamber of Deputies May, 1880, but the favorable report of the committee was rejected by the Chamber in December, 1881. On the tenth of February, 1889, a new law was passed, since modified by the Acts of July 5, 1889, and that of 1894.

<sup>4</sup> Law of June 7, 1875, as modified by military legislation in 1882.

<sup>5</sup> The first law on this subject was dated March 4, 1848; this was followed by law of February 27, 1859, regulating the election of officers, the division into corps. Another law dated August 4, 1861, applies to the militia. The national guard as such became extinct after the military law of June 14, 1874.

ART. 77. The State retains its flag, and the blue cockade is the only national one.<sup>1</sup>

ART. 78. The knightly orders now in existence shall be maintained with their endowments, which shall not be used for other purposes than those specified in the acts by which they were established. The King may create other orders and prescribe their constitutions.

ART. 79. Titles of the nobility are guaranteed to those who have a right to them. The King may confer new titles.

ART. 80. No one may receive orders, titles or pensions from a foreign power without the King's consent.

ART. 81. All laws contrary to the provisions of the present constitution are hereby abrogated.

Given at Turin on the fourth day of March, in the year of Our Lord, one thousand eight hundred and forty eight, and of Our Reign the eighteenth.

#### TRANSITORY PROVISIONS.

ART. 82. This statute shall go into effect on the day of the first meeting of the Chambers, which shall take place immediately after the elections. Until that time urgent public service shall be provided for by royal ordinances according to the mode and form now in vogue, excepting, however, the ratifications and registrations in the courts which are from now on abolished.

ART. 83. In the execution of this statute the King reserves to himself the right to make the laws for the

<sup>1</sup> A few days after the promulgation of this Constitution, King Charles Albert issued a proclamation (March 25, 1848), to the inhabitants of Lombardy and the Province of Venice saying that he had adopted the three Italian colors, green, white and red. Two subsequent decrees, dated April 11 and 28, 1848, gave the "new colors" to the marine and to the communal militia, and these acts of executive power have been held to be legal because the Constitution was not yet in force according to the terms of Article 82.



press, elections, communal militia and organization of the Council of State. Until the publication of the laws for the press, the regulations now in force on this subject remain valid.

ART. 84. The Ministers are entrusted with, and are responsible for the execution and full observance of these transitory provisions.

CHARLES ALBERT.

The Minister and First Secretary of State for Internal Affairs, BORELLI.

The First Secretary of State for Ecclesiastical Affairs and for Pardon and Justice, Director of the Great Chancery, AVET.

The First Secretary of State for Finance, DI REVEL.

First Secretary of State for Public Works, Agriculture, and Commerce, DES AMBROIS.

First Secretary of State for Foreign Affairs, E. DI SAN MARZANO.

First Secretary of State for War and Navy, BROGLIA.

First Secretary of State for Public Instruction, C. ALFIERI.

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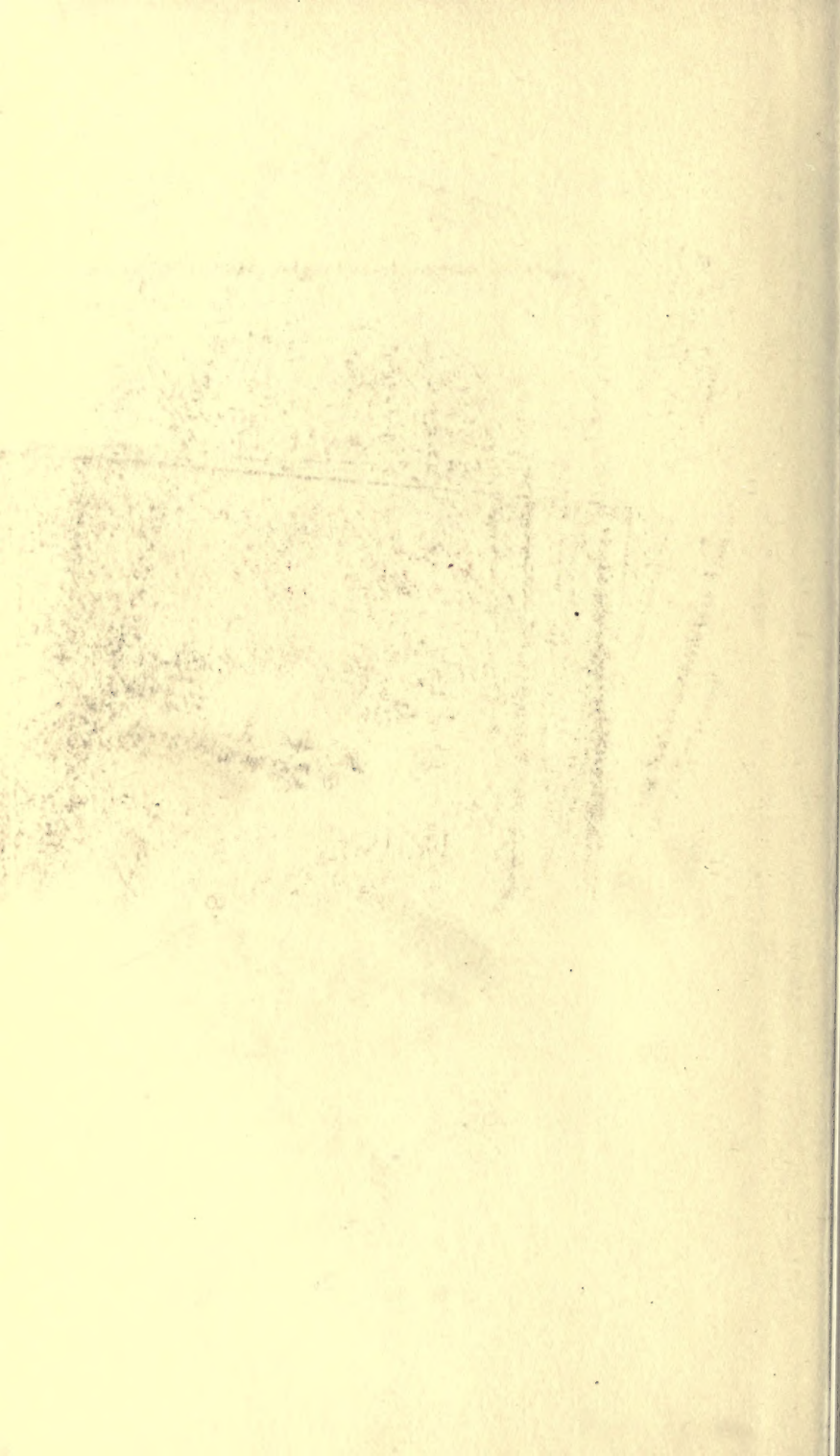
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